2013 HOUSE APPROPRIATIONS

HB 1012

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/11/2013
JOB 17121

☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: Testimony 1, 2, 3

Chairman Pollert called the committee to order.

Maggie Anderson, Interim Executive Director for the DHS, handed out and reviewed an organizational chart of Department of Human Services (DHS) - Testimony 1. Discussed the overview of HB 1012 (08:48). Began discussing DHS overview (18:43) - Testimony 2.

Chairman: If you increase the section 3 of the DHS budget that you won't need any more personnel?

Maggie: That piece is not included in here. We needed to have the dialogue with the committee and perhaps the greater Legislature about how you would like us to approach the coverage.

Rep Kreidt: How was the estimate for FMAP for 2015 estimated?

Maggie: This is the estimate they sent us. At this point FMAP is still calculating the final per capita personal income information.

Rep Weiland: Is the mileage differential for everyone or just in the west part of the state?

Maggie: It is for all QSPs statewide who would be caring for clients where the round trip is 20 miles or more.

Rep Nelson: Do QSPs still bill on 15 minute increments?

Maggie: Mostly, yes. Sometimes they may bill mileage or a daily rate.

Rep Nelson: Wasn't that piece $3.5 million last session? Explain the difference between that and the $1.3 million listed for continuation.

Maggie: When we did the estimation for the budget request, we looked at the amount that we've actually spent.

Chairman: How short were you on the caseload dollar amount-wise on the DD last time?

Deb McDermott, Fiscal Administration: We were about $26 million short in total funds for the DD grant area.

Chairman: Is this the entire OAR list?

Maggie: This is the Optional Adjustment Request list that the department submitted as part of our budget. We did not include provider requests.

Maggie concluded testimony (1:31:17).

Chairman briefed upcoming schedule (1:31:35).

Chairman adjourned committee (1:38:25).

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/14/2013
JOB 17158

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: Attachment #1,2,3,4.

Chairman Pollert called the committee back to order

2:40 - 53:47

Deb McDermott- Fiscal Administration DHS passed out the handouts that was requested by Chairman Pollert

7:09
Representative Bellew asked for clarification about floor levels of FMAP.

9:25
Deb McDermott- Fiscal Administration DHS started her overview of administration of DHS
12:02

McDermott continued her Overview of Budget Changes on page 2 of her written testimony.

Representative Nelson requested McDermott to provide the committee with a schedule that shows 2011-2013 and 2013-2015 so the committee can compare apples to apples.

20:19
Lori Laschkewitsch, OMB clarified the logistics of how the compensation package closer to market salary range. Agencies will have to look at their own budget to decide how they will bring the employees that are at the lower scale of market salary to market and with

regard to performance incentives OMB used a range of 3-5% but that will be an agency decision.

30:30

McDermott continued her overview of page 2 of her testimony

Representative Bellew asked **McDermott** as to why the department is utilizing a lot of the general fund, when DHS receives a lot of federal funds?

McDermott replied that the majority of staff is located either in the Human Service Centers or Institutions. And it is up to the program the staff is working on, depending of the funding source, some federal funds are capped.

Representative Nelson asked **McDermott** about the oil patch add-on for staff of the Williston, Minot and Dickinson regions.

McDermott answered that DHS based their budget after the ND DOT module of $500.00 per employee in the affected areas.

36.44

McDermott continued her overview on page 3 and 4 of her testimony.

Chairman Pollert the Attorney General Office increase of 39% came from where?

McDermott in building our budget we utilized the increase based on guidance received from the Attorney General. I understand that the Attorney General re-evaluates his department rates every two years.

Representative Nelson asked McDermott to explain what a statewide indirect cost is.

McDermott stated stated that are the charges that OMB charges us. When we submit for federal funds for services rendered then the difference of those funds and use of general funds make up our payment to OMB.

In summary **McDermott** stated that the general fund request increased $20,644,370 with $200,060,636 or 97% of the increase related to the Governor's salary package for all Department employees and for the oil-patch add-on for Department employees and the oil-patch add-on for employees in the Williston, Minot and Dickinson regions.

Representative Holman asked McDermott that the salary increase for DHS could range from 3% - 9%.

McDermott stated that that is correct.

McDermott also attached the Market - performance Matrix to her testimony - Attachment #2.

55:00 - 2:08:27

Jennifer Witham, Director of Information Technology DHS, started her overview testimony for her department Attachment #3

Whitham outline to the committee her divisions areas of responsibility as it pertains to Information Technology Services Division (ITS)

Whitham outlined the major program changes for the upcoming 2013-2015 biennium. ITS is in the process of replacing several major information systems in the medical Services and Economic Assistance program areas. The Medicaid Systems Project, which includes the Medicaid Management Information System, the Pharmacy Point of Sale, and Decision Support systems, is scheduled to be completed in the upcoming 2013-2015 biennium.

The Eligibility System Modernization Project is scheduled to be fully implemented in the 2015-2017 biennium; however, the first phase will be completed by October 1, 2013, in order to meet the Affordable Care Act requirements.

Representative Wieland asked how many phases are there are in the eligibility system modernization project.

Whitham stated that there are three phase of this modernization project, **phase one** is focused primarily on meeting the requirements as outlined by the Affordable Care Act for the federally facilitated exchange program, **phase two** is to replace the underlying of the legacy systems .exchange , **phase three** integration of the of the other eligibility systems.

1:04:10

Whitham directed the committee to the center of page two of her testimony which is an overview of budget changes for her division.

The salary and wages line item increased by $999,092 and can be attributed to the following:
- $269,914 in the total funds, of which is $ 144,091 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

-$282,704 increase in total funds, of which $ 196,246 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

Representative Bellew asked Whitham what is the percentage does the state pay towards the is funding retirement

Lori Laschkewitsch, OMB the recommendation is a 2% each year, 1% by the state and 1% by the employee.

Whitham continued her overview of budget changes.

-$31,088 increase in total funds, for which $8,009 is general fund for increase overtime to process medical claims.

- The remaining $380,833 increase in total funds, of which $36,278 is general fun for increases needed to sustain the salaries of 81.5 FTEs in this area of the budget

1:16:06-1:27:37

Chairman Pollert gave the committee a break.

1:27:50

Whitham continued her testimony with the Operating line items on page 3 of her testimony.

The operating line items decreased by $33,578,154. Major changes include:

- IT-Data processing decreased $40,081,046; the change is mainly attributable to the following:

$42,416,499 decrease, of with $8,695,383 is general fund for removing one-time funding for the Eligibility System Modernization Project.

$1,863,820 increase, of which $477,401 is general fund for MMIS system software and hardware maintenance.

$810,000 increase, of which $147,907 is general fund to analyze the feasibility of migrating the remaining Department systems from the current mainframe environment.

- Supplies -IT software increased by $ 5,575,807, the change is attributable to the following:

$5,000,000 increase, all of which is general fund for the Field Services Electronic Health Record Information System replacement.

-

$575,807 increase, all of which is federal and other funds, relates to the implementation of a department-wide time and attendance and scheduling solution

1:29:03

Representative Bellew asked Whitham explain the analyzing the feasibility of migrating the remaining department systems from the current mainframe.

Whitham responded by explaining that there are 5 systems that will be left on the mainframe. After we replace the eligibility system. We will have FACES - which is child support enforcement.

The actual cost may to maintain the mainframe may increase for child support enforcement because the eligibility system will no longer be shared on the mainframe.

We have a contract management system on the mainframe, a program to support the foster care program - known as CCWHIPS, a time and attendance system on the mainframe, FRAME system- which supports the child/welfare system is built not to run on the mainframe- but the database is served from the mainframe.

The FRAME system is used by the children and family services.

Whitman continued her overview on page 3 of her testimony.

Supplies - IT Software increased by $5,575,807; the change is attributable to the following:

$5,000,000 increase, all of which is general fund for the Field Services Electronic Health Record Information System Replacement.

$575,807 increase, all of which is federal and other funds, relates to the implementation of a department-wide time and attendances and scheduling solution.

Whitman continued her overview on page 4 of her testimony.

IT Contractual Services increased by $965,538, which is mainly attributable to the following:

$3,193,103 increase, of which $985,940 is general fund for system support and licensing fees for the Medicaid Management Information System.

$2, 500,000 decrease, all of which is federal funds related to removing the one-time funding for the Vocational Rehabilitation Information Systems Project.

1:34:41

Chairman Pollert asked Whitman if she could provide a hard copy to the committee of what systems she has going, what the timeframe and status are.

Whitman responded that she will prepare that and will give it to the committee during detail of her division.

Whitman continued her testimony with the last bullet under the IT Contractual Services paragraph on page 4 of her testimony.

$288,772 increase, all of which is federal funds for the ongoing hardware and software maintenance costs for E-Prescribing and interoperability software at the regional human service centers. The e-Prescribing system module was implemented in the current biennium to support the telepharamcy project.

The Capital Asset line of $216,160 contains items totaling $204,160 that should be included in operating. The $204,160, all of which is federal funds, includes $182,560 for the initial purchase and implementation of health information technology software and $21,600 in hardware maintenance fees for telepharmacy equipment. The remaining $12,000, all of which is federal funds, is for new equipment needed to support the interoperability software.

The Field Services Electronic Health Record Information System Replacement project will implement an electronic health record information system that is focused on behavioral health to support the services offered by the Department's Field Services Division.

Capital Construction Carryover had a decrease of $21,291,536 in total funds, of which $2,377,532 is general fund for the Medicaid Systems Project. However, Section 5 of HB 1012 requests that any unexpended funds be made available for the completion of the Medicaid Systems project during the 2013-2015 biennium.

2:08:27

Whitman concluded her testimony.

2:09:43 - 2:25:45

Carol Cartledge, Director of Economic Assistance DHS, started her overview testimony for her department. Attachment #4.

Cartledge began her testimony with the programs her division has. Economic Assistance Policy Division (EAP) is responsible for eligibility of Basic Care Assistance Program, Child Care Assistance Program, Crossroads a program for teen parents, Low Income Home and Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance program (SNAP) and Temporary Assistance for Needy Families (TANF) program.

EAP also includes Quality Control/Assurance and Regional Representative Units. The Quality Control/Assurance Unit completes case reviews of Child Care Assistance, SNAP,

Healthly Steps (Children's Health Insurance Program), Medicaid and TANF. Regional representatives are the liaisons between Economic Assistance programs and county social service eligibility workers.

2:26:10

Chairman Pollert adjourned the committee until 1400 today.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB1012
1/14/2013 PM
Job 17183

☐ Conference Committee

Committee Clerk Signature Meredith Trachott

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Minutes:

You may make reference to "attached testimony."

01:03
Chairman Pollert called the committee back to order.

01:20
Carol Cartledge, Director, Economic Assistance Policy Division, DHS: (continued presentation from the morning) I have some current numbers for SNAP, there are 58,885 individuals currently on SNAP. Continued presentation of Attachment 4, page 3.

05:55
Representative Nelson: Most of these programs are up for reauthorization by March, with the exception of SNAP. Are you anticipating any changes?

Cartledge: We have been trying to determine if there will be an impact. My guess is, under childcare there won't be any funding or subsidy changes. Under TANF, they've talked about changes in the state portion and use of third party funding, and in reporting requirements.

Representative Wieland: Under LIHEAP, are things like weatherization and maintenance administered by the counties, is it an outright grant, and is it federal?

Cartledge: Weatherization is done by Department of Commerce, it is all federal funds. I don't believe there is a repayment plan. I also wanted to mention regarding eligibility for SNAP, for a large portion of the population we do not count their assets, only their income. There has been discussion at the federal level of eliminating that, and the impact of that would be a decrease in caseloads in ND. Resumed presentation page 5, minute 10:20.

12:30
Chairman Pollert: Could you explain the $2.5 M decrease in general funds?

Debra McDermott, Fiscal Administration, DHS: This decrease in the general fund is offset by the other funds increase of $2.2 M. We used retained funds in this area of the budget to use MOE for TANF.

Cartledge: Continued presentation, minute 14:15. Concluded presentation minute 23:50.

Rep. Wieland: Do you have any vacant FTEs that are over 30 days old?

Cartledge: No, we do not have any vacant positions at this time.

Chairman Pollert: What is the DHS turnover rate?

McDermott: The turnover rate department wide is 12.48%.

27:00
Jim Fleming, Director, Child Support Division, DHS: Presented Attachment 5.

52:20
Representative Nelson: With implementation of the Affordable Care Act, it seems there will be a number of employers that will discontinue their employee health plans. What types of situations do you think are most probable?

Fleming: I'm not a health care expert. What I'm hearing is the same thing. What we don't know is the extent to which the IRS is going to be enforcing the individual mandate or whether there will be a loophole. We really don't know what the expectations of the program are going to be, where the enforcement is going to need to be supplemented, etc. We do have staff working on catching up on other things so we can be ready when those regs come out. It's a very uncertain area for us, so we're doing what we can to prepare for the unknown. Continued presentation page 8, minute 56:10. Concluded 1:01:50.

Cheryl Hess, Executive Director, ND State Council on Developmental Disabilities, DHS: Presented Attachment 6, began minute 1:04:20.

1:13:50
Representative Bellew: What is the difference between your organization and P&A?

Hess: Protection & Advocacy advocates for people's rights and abilities. We're federally funded the same as P&A, we fall under the administration of intellectual and developmental disabilities. Ours is to promote self-advocacy with the consumers and their parents, utilizing grants and technical assistance training and supports to do so. The ND Developmental Disabilities Network is a triad between P&A, myself and the council, and Minot State through the ND Center for Persons with Disabilities. We work collaboratively with them on a regular basis.

Representative Nelson: How many people are on the council?

Hess: Currently we have 20 people. 60% have to be parents or individuals with intellectual disabilities, and 40% represent agencies. Continued presentation page 3, minute 1:15:40. Concluded 1:18:35.

Jan Engan, Director, Aging Services Division, DHS: Presented Attachment 7, began minute 1:22:30.

1:41:25
Representative Nelson: What is the flexibility in a healthy family member taking a meal out of a senior meals program if an individual that usually attends is home sick that day?

Engan: There are requirements at the federal level to separate reporting for home-delivered meals and congregate meals. There are registration forms, but the process can be done very simply in the data entry system. One should be able to easily transition a registered congregate client to home delivered and collect the required data verbally. It can be done. We do have to make those changes in the system, even if it's a temporary situation, even if it is just for one meal. It's a matter of going in and checking a box, it is not that cumbersome. Continued presentation page 10, minute 1:46:00.

1:48:00
Chairman Pollert: In the proposed executive budget, did you replace the federal funds which are ending for ADRL with general funds?

Engan: We're not replacing that with general fund, that is primarily the funding that had been used in the past for outreach services. The pilot activities were discontinued when the federal funds ended. We transitioned - we're able to implement the pilot activities through options counseling, which is a transition from outreach services that we had been providing before. Other federal dollars are used to fund those services. Concluded presentation minute 1:52:10.

Representative Holman: What trends are you seeing with the demographic shift occurring? Does that affect what you do?

Engan: Yes. We've seen a shift in some of the older population from what were rural communities into the Bismarck, Grand Forks, Fargo, Minot areas. That started 2 years ago. That doesn't mean you discontinue services in rural or sparsely populated areas, it just gets more challenging. Regarding funding for senior nutrition programs, several sources go into that and we have several formulas for distribution. The federal dollars and state funds to providers are distributed based on a weighted formula that includes population, poverty, and minorities.

Chairman Pollert: We'll recess until tomorrow.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/15/2013 AM
Job 17235

☐ Conference Committee

Committee Clerk Signature Meredith Trachott

Explanation or reason for introduction of bill/resolution:

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the committee to order.

Becky Keller, Legislative Council: Distributed Attachment 1.

Lori Laschkewitsch, OMB: This breakdown is based on the compensation philosophy, it's not just a percentage per person kind of a calculation. These dollars aren't tied to specific individuals. We use those calculations to get to this pool of money, and then the agency is to take those same tools at the time this is to be implemented, in July 2013, take a look at where their employees are sitting at that particular point in their range and find out which people it is recommended get which ranges.

Chairman Pollert: In the DHS budget, is it tied to total funds per section?

Laschkewitsch: It's tied as an agency overall. We don't want to take away all discretion about pay raises by tying dollars or percentages to specific people. We had to come up with a metric in order to comply with the philosophy. It was complicated. This is a baby step in moving towards market equity and performance-based increases.

Deb McDermott, Fiscal Administration, Department of Human Services (DHS): 88% of our employees are below market, which is 1933 out of 2197 total employees.

Rep. Holman: Does this chart also reflect the change in FTEs?

Laschkewitsch: It is the total salary package for all employees. If they had new employees, those would have been included in there. With these increases, we will still not

have employees being paid at the same level as the market, which still causes some problems for some hiring, especially in ND's market.

11:10
Rep. Bellew: What is the statewide turnover rate? This just references salaries, but we have a tremendous benefit package for the employees that I think should be included.

Laschkewitsch: When you hired the Hay study to come in and do the salary compensation study, they included the benefit package, including retirement, health insurance, etc. That was used in the comparison. They also took a look at the benefits that are provided in that health insurance and some of the other benefits, and averaged it into the package.

Rep. Bellew: I have a hard time with what each section is going to get, since all this money is in Administration portion of DHS. You have administrators in every department, can they not do this?

McDermott: That is what we will do once we get the totals from OMB and figure out within our department what we need to do with each one of our employees. Every division has different needs we have to evaluate before we move those funds down.

Rep. Kreidt: At some point each department will come in with their recommendations, and then you will give them $X?

Laschkewitsch: Every agency got a pot of money, and agencies division directors will come to their administration to distribute the funds. We've already allocated these amounts.

21:15
Maggie Anderson, Interim Executive Director, DHS: Provided Attachment 2.

Laschkewitsch: The statewide turnover, based on the January to October salaries, was 11.1%. In 2011, it was 9.2%.

24:15
JoAnne Hoesel, DHS: Presented Attachment 3.

Rep. Bellew: What is early childhood defined as?

Jennifer Barry, Early Childhood Services Administrator, DHS: Under ND Century Code, early childhood services is defined as the care and education for children ages 0-12.

Hoesel: Resumed presentation of Attachment 3 on page 2, minute 28:30.

31:25
Rep. Nelson: With Family Team Decision Making (FTDM), which is only in four counties, is there collaboration with other adjoining counties? It seems to be very productive.

Diana Weber, Children and Family Services, DHS: FTDM was allocated funding last biennium as a pilot project to determine if it would be a viable opportunity for families and

children in ND. We did not have sufficient funding to roll this program out statewide, so we offered it as a pilot to counties that would be interested, and these particular counties offered. We're keeping data to show the efficacy of the program. Because it is a good deal for us, it doesn't cost a lot and has very strong outcomes, we're hopeful that we're going to be able to expand it. We do not have in our budget the money to expand at this time. At this time we've offered training to other counties to learn more about the process, but they don't have it available to them because it is run through the county office with a contract to a provider to offer the service as a neutral facilitator to the family. They are offered the opportunity to train, and perhaps be an option as a pilot in the future.

Rep. Nelson: What's the difference with Family Group Decision Making (FGDM)?

Weber: FTDM occurs at the time a child is at the point of needing to be removed from the home. In many cases there is an imminent risk to the child's safety. The meeting is called within 72 hours of the report coming in through Child Protection Services. FGDM happens at different points in time; it's more likely to occur at the time when there is conflict or challenges as to the plan for the child, who is possibly in foster care or looking at reunification back into the home. It is a much lengthier process.

Rep. Nelson: It is possible that a case could fit into both categories?

Weber: That is correct.

Hoesel: Resumed presentation of Attachment 3 page 4, minute 37:10. Concluded 51:55. Continued by presenting Attachment 4, beginning minute 54:50.

57:10
Chairman Pollert: There is talk about toughening up the DUI. Does that affect you with this section of the budget?

Hoesel: I don't believe so. The think that would impact these programs is if there would be more arrests for DUI. If that bill leads to that, then yes it would create a situation where we would need potentially more DUI programs. It would depend on the writing of that. Resumed presentation of Attachment 4 page 2, minute 59:00.

1:08:40
Rep. Nelson: What is the cost of an in-state placement in comparison to an out-of-state placement?

Hoesel: It is dependent upon the facility, but looking on a general basis, it is surprising that it sometimes is not more expensive to go out of state. Sometimes it's less, sometimes it's more. Resumed presentation of Attachment 4 on page 5, minute 1:09:35.

1:22:35
Rep. Nelson: In the Governor's budget, he has funding for four regional facilitators. Does your department train the facilitators and do they work in tandem with you as far as services needed in severe traumatic brain injury (TBI) situations?

Hoesel: Our current efforts with TBI are provided on a contract basis with the Head Injury Association, HIT Inc., and Community Options. We anticipate those four individuals would add to the statewide effort of outreach and public education. It would still be collaboration by contracts. Resumed presentation of Attachment 4 on page 10, minute 1:24:10. Concluded 1:31:20.

Rep. Nelson: What was the federal grant for TBI used for?

Hoesel: In the past we have received a grant for TBI, and we anticipated the federal government would offer that grant in our current biennium. They did not, so we did not even apply for it. It varies as to the focus of that grant; it can be support education, or services similar to what we're already doing.

Rep. Nelson: Will there be pieces of the treatment programs that will be go away because of that, or can you pick it up through existing programs?

Hoesel: We did not have that grant, so there was nothing in play being funded by it. Nothing will discontinue. We just had the spending authority, we never had the grant.

1:34:55
Russell Cusack, Director, Vocational Rehabilitation, DHS: Presented Attachment 5.

Chairman Pollert: Is it in code that funding is 79% federal, and for how long?

Cusack: The match has been in regulation since 1973. There is no talk of changing it. Resumed presentation of Attachment 5, minute 1:37:25. Concluded 1:48:55.

1:53:30
Tina Bay, Director, Developmental Disabilities Division, DHS: Presented Attachment 6.

Chairman Pollert: What is the difference between this division and DD Council?

Bay: The Developmental Disabilities (DD) Division is responsible for the policy development and managing our waivers, so we work closely with our human service centers and manage our programs. We set the rules and rates for the providers, we work on the budgets, etc.

Cheryl Hess, Executive Director, DD Council: The DD unit actually provides the services. The Council takes a look at services or programs that individuals with DD or their families may participate in to ensure that the services are accessible and available as much as possible. It's like an advisory council that is separate from the DD unit to ensure the council is as independent and objective as possible.

Bay: Resumed presentation of Attachment 6 on page 2, minute 1:57:50. Concluded 2:04:10.

Rep. Bellew: Why is DD grants not included in this section?

Laschkewitsch: All of our long term care costs are in one area of the budget, so it's called the long term care continuum. All of the grants for nursing homes, basic care, home and community based services, as well as DD, are in one area, and one separate line item.

2:07:50
Bay: Presented Attachment 7.

Rep. **Wieland**: For children diagnosed on the Autism spectrum, what happens when they turn five years old? Is there a gap before they are part of a school program?

Bay: They would be involved in the school already at the preschool level. We would also determine if they qualify for services under the Traditional Waiver, instead of the Autism Waiver, at that age as well.

Rep. **Nelson**: Are Autism diagnoses continuing to grow, or is it starting to level off?

Bay: I believe the current number of diagnoses is 1 in 88. Resumed presentation of Attachment 7 on page 2, minute 2:12: 30. Concluded 2:17:50.

Chairman Pollert called a recess until the afternoon. Meeting ends minute 2:19:50.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1012
1/15/2013 PM
JOB 17249

☐ Conference Committee

Committee Clerk Signature Meredith Trachott

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the committee back to order.

Alex C. Schweitzer, Director of Field Services, DHS: Presented Attachment 1.

13:10
Chairman Pollert: I know you can float dollars from section to section; can you float employees from section to section?

Schweitzer: We have flexibility to move employees throughout DHS, but in this area, we try to fund these things (page 7) within the Field Services Division. Continued presentation.

18:55
Representative Kreidt: Where did you get the cost estimates you reference on page 8 for the Transitional Living Programs? They seem low.

Schweitzer: These are estimates that the regional director and finance person put together. They can give you more detail when they come in.

Representative Nelson: Two years ago there was an acute shortage of psychiatrists in the Human Resource Centers. What is the status today?

Schweitzer: We have found someone to cover the north central and northwest region. Our bigger problem now is the state hospital, where there is only one full time psychiatrist, and a part-time medical director. We do have recruits coming in there.

Representative Nelson: Is salary an issue, or just lack of applicants?

Schweitzer: I don't think salary is an issue. It's a matter of community compatibility and those kinds of things. Concluded presentation of Attachment 1. Began presentation of Attachment 2 on ND State Hospital and ND Developmental Center, minute 24:55.

46:25
Representative Kreidt: Can your emergency generator be fueled off of diesel?

Schweitzer: Yes.

Representative Wieland: The central heating plant facility for all the buildings of the State Hospital and JRCC can utilize all the fuel sources, the natural gas, coal, and heating fuel?

Schweitzer: We have both regular gas heating, and diesel for the generator. Yes, all three sources for heating are in that building. Continued presentation.

54:05
Representative Wieland: Do you currently have any vacant FTEs, over 30 days?

Becky Keller, Legislative Council: We have asked the agencies to provide FTE information by January 23rd, and we should have that to you about a week after that, as soon as possible.

Representative Bellew: Can OMB figure out the cost to continue this new salary package for next biennium, 15-17?

Debra McDermott, Fiscal Administration, DHS: Last time the cost to continue was $7.3 M with $5.1 M being general funds.

Schweitzer: Continued presentation of Attachment 2 on page 10 on the ND Developmental Center (NDCC), minute 56:55. The new proposed name will be the Life Skills and Transition Center, which is more applicable to the current mission. This name change has passed the Senate already. I'll use Developmental Center for now, so as not to be presumptive.

1:03:00
Representative Nelson: Where do the youth go, or transition to?

Schweitzer: Into community settings. These adolescents have had a difficult time being in a community because they have pretty severe behavior issues.

Representative Nelson: So each individual goes to a facility closer to their home area?

Schweitzer: Correct. Continued presentation on page 13.

1:07:50
Representative Wieland: With the decrease in the number of people at the facility, from 3,000 down to 92, it's got to be a totally inefficient facility. Are they looking at trying to do something to get a more efficient facility to take care of the 67 people you hope to get the population down to?

Schweitzer: They are. Absolutely it's inefficient, we have overhead costs and a lot of empty space. The intent would be to continue to transition, as mandated by the Legislature, people that are appropriate for the community. As you do that, you will have more and more unutilized space. Grafton is interested in having some services present, of course. They've been partners in that regard. We're open to looking at how to better utilize the facility. Continued presentation page 14, minute 1:11:00. Concluded 1:15:00.

Maggie Anderson, Director of Medical Services, DHS: Presented Attachment 3, began minute 1:17:00. Concluded for the day on page 6/attachment H, minute 1:44:00.

Chairman Pollert announced the committee would be in recess until tomorrow.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/16/2013 AM
17304

☐ Conference Committee

Committee Clerk Signature Meredith Trachott

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the meeting to order.

Maggie Anderson, Director of Medical Services, Department of Human Services (DHS): Resumed testimony from 1/15/13 on Attachment H of Attachment 1, minute 01:20.

06:25
Chairman Pollert: Is the subsidy for the purchase of private insurance under the Affordable Care Act (ACA) like a tax credit on their tax statement?

Dan Ulmer, **BlueCross**: It would have to come back to us through the IRS, basically, so we make a payment on the premium.

Anderson: You might say, why did they not take those tax credits, premium subsidies, down to 0% and provide them to the whole population? The answer is that no one envisioned the Medicaid mandate being thrown out by the Supreme Court. They assumed that population would be covered by the mandated Medicaid expansion. Resumed presentation of Attachment 1 on page 6, minute 08:20.

23:50
Chairman Pollert: Does MMIS come into any of this (provider screening requirements)?

Anderson: To a small degree, we have to have a file export from MMIS to the vendor we use to run through the systems every month. It's not anything to do with the underlying architecture of the system that needs to be changed.

Chairman Pollert: October 2013 is the implementation for the ACA, correct?

Anderson: That is the date when the health insurance exchanges are supposed to be up and running and accepting open enrollment applications.

Chairman Pollert: Does your MMIS information have to be available at that time?

Anderson: MMIS would not need to be available at that exact moment, because it is the claims payment side and not the enrollment side.

Rep. Wieland: Do we know the amount of the fee that each provider is supposed to pay?

Anderson: Yes, we do, it is in federal regulation; I will get that to you. Resumed presentation of Attachment 1 on page 9, minute 26:15.

31:15
Rep. Kreidt: Is there a lot of fraud happening in ND?

Anderson: The department's efforts and those of the recovery auditor typically are focused on securing overpayments. I can't say there is or there isn't a lot of fraud; what I can tell you is we had a performance audit in the DHS from the state auditor's office, and they identified that we needed to enhance the efforts for our surveillance utilization review and program integrity area, which we have. We do a lot of compliance audits, and we do find instances where providers claim services not supported by documentation, and we have turned providers over to the office of inspector general because we believe there should be additional investigation. We have not had a specific case prosecuted for fraud in the last couple of years.

Rep. Wieland: Does the department have fraud investigators per se, or do you turn that over to the attorney general?

Anderson: We have surveillance utilization review staff. They are not trained investigators. The federal government has started the Medicaid Integrity Institute, which offers ongoing training for program integrity staff. If we do our preliminary investigation and find that there is reason to believe additional investigation is warranted, we work through the state's attorneys, and in some situations the office of inspector general. Resumed presentation on page 9, minute 36:10.

47:50
Rep. Bellew: How many FTEs did we authorize during the special session, and what were they for?

Anderson: In Medical Services, you authorized five: one for program integrity, one in eligibility policy, one nurse position, a surveillance utilization review analyst, and an administrative support position. Resumed presentation on page 11, minute 50:20. Concluded presentation of Attachment 1, minute 1:33:00.

Chairman Pollert called a recess; the committee reconvened at minute 1:56:40.

1:58:30
Anderson: Presented Attachment 2.

2:04:30
Chairman Pollert: Is there a trend for the lower occupancy facilities to be urban or rural?

LeAnn Thiel, **DHS**: Of the 35 facilities below 90% occupancy, only one or two are in 'urban' areas, the rest are rural facilities.

Rep. **Kreidt**: Has there been any discussion of looking at the 90% rule?

Anderson: Not to my knowledge. Resumed presentation of Attachment 2 on page 2, minute 2:06:15.

2:31:45
Rep. **Kreidt**: Looking at the average daily rate on Attachment D, is that what you're going to compare to the Medicare rate, or is it based on the all the different levels that a nursing facility can receive?

Anderson: Not really. In years past, when we did the UPL, it was a true aggregate of what we paid in comparison to what Medicare paid. In 2009, we ran into a problem with the UPL, and established a different methodology for calculating it. It is not that straightforward anymore. While it's still in theory a comparison to Medicare, we do it based on historical average cost. Resumed presentation of Attachment 2 on page 9, minute 2:35:00. Concluded overview minute 2:56:10.

Chairman Pollert called a recess until the afternoon.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/16/2013 PM
JOB 17317

☐ Conference Committee

Committee Clerk Signature	Meredith Trachtolt

Explanation or reason for introduction of bill/resolution:

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the section back to order. We are detailing admin support.

Deb McDermott, Fiscal Administration, DHS: Provided summary of general fund increase, see Attachment 1. Began presentation of Attachment 2, budget details of administration support, minute 3:00.

7:20
Rep. Bellew: Could you provide more information about the oil patch subsidies? (referring to $3.8 M in Salaries-Other)

McDermott: To help retain staff in the Williston area during this biennium, we had an add-on to their salary of $500 for all the individual employees we have living within the region, to try decrease the turnover ratio. Going forward with the 13-15 budget, we looked at the turnover ratio in the north central region as well as Williston and the Dickinson region. That $3.8 M is to add $500 for each individual in those regions to help with their cost of living increase.

Rep. Bellew: I'm confused as to the logic behind it.

McDermott: The other day I had mentioned the turnover ratio in that area. We need to keep our staff in those areas to ensure that we have service we can deliver to our clients. The additional $500 is an incentive to stay in the area and help pay for some of the additional costs they are incurring because of the oil activity. This is on top of their base salary. We're not the only state agency doing this or something similar to retain staff.

Chairman Pollert: Can you compare turnover in western ND versus your 12.48% department wide?

McDermott: For northwest for 2011 it was 33.19%, for 2012 it was 25.69%, so we did see a decrease in our turnover ratio in that region. We have to be able to maintain our services in that area. The money the human service centers found for the $500 to Williston only in this biennium was within their areas of the budget specifically. It was not department-wide.

Rep. Wieland: How did you determine the figure of $500 per month?

McDermott: I believe the $500 figure was also used by DOT for some of their employees in the same region, and that's why we used that number. We got a lot of positive feedback.

Marcie Wuitschick, Human Resource Director, DHS: We visited with DOT a lot, learned they had a fair amount of success with their amount of $484 per person, so we started with $500 to see how it went. We felt that anything smaller, after taxes, was not a sizeable enough difference to make an effect on someone's monthly paycheck.

Maggie Anderson, Medical Services, DHS: There is a standalone bill coming forward on the housing piece. They'll be requesting up to $750 per staff member per month. In the nursing home costs it is listed in the contract staff line, which includes what they have to pay contract workers and includes area housing costs, it's not a separate line item.

19:50
Rep. Bellew: This money is in administrative support. Why is it not in human service centers budgets?

McDermott: This money is not just for individuals of the human service center, it's for regional child support offices, regional economic assistance program reps, any department employees that are living in those areas. All the oil money add-on is in this area of the budget. If approved, we will move that money out to the divisions where those people reside.

Rep. Bellew: Does this extra amount add on to their retirement, too?

McDermott: It is an add-on, so no, it does not go into their base salary to have retirement on. Continued presentation of Attachment 2, minute 25:00. Concluded 45:30.

46:25
Chairman Pollert: The committee has been given a handout (Attachment 3) with the budget detail for DD Council, but we will not be detailing it. We haven't done it in the past as it's all been federal funds. Take a look at it and we'll ask questions if needed. We're doing IT now.

47:05
Jenny Witham, Director of Information Technology, DHS: Presented budget details for information technology services, see Attachment 4.

Rep. Bellew: In your overview, you mentioned a $282,000 in total funds for employee increases. Then you have a $380,000 increase to sustain the salaries. What's the difference?

Witham: The $282,000 is related to the standard 3% increase given to everybody based on the package passed last session. The additional $380,000 is several things. Sometimes we hire people at a higher skill level, and therefore salary, when there is an opening. Some is due to anticipated retirement payouts. Some is reorganization to adjust for workloads. Continued presentation of Attachment 4.

51:40
Alex Schweitzer, Director of Field Services, DHS: All medical facilities now have electronic health records. Our current system has reached maximum capacity. To meet required Medicare standards, it's important that we have this record. It gives us a continuous record that goes throughout the system. There's portability.

Chairman Pollert: Is this a replacement of the current system?

Schweitzer: It is. The old system is 10-15 years old. Currently, if you have a paper chart across the campus of the state hospital, one staff member can access that but the rest of the staff can't in the unit. With an electronic record, they could. It allows note taking, multiple users, and enhances patient care. You see a reduction in medication errors, doctors can see other physicians' treatment notes, you can monitor vitals and labs better. There is also the capability of gathering data off the electronic health record, and with that data we can make decisions on providing patient care in the hospital and throughout the system. The portability factor will reduce the amount of time that a person is waiting to access care in the community. Someone in the human service center can also access hospital records for a more complete picture of the individual.

Chairman Pollert: The system is $5 M, is that including the cost to continue it?

Schweitzer: It replaces both the one in the hospital and the one in the field. One thing we know it will help with at the hospital is situations where we're in a time crunch with the court to do forensic assessments, and those are increasing all the time. It gives you timely documentation, better access. It also helps with the problem of deciphering doctors' handwriting. This will help us avoid errors, and potential legal issues. The record is secure enough that you should not have any issues with HIPAA. This new system will be linked to the human service centers, which will cut down our current frequent faxing and those associated costs. You'll improved quality and quantity of patient care, have complete accuracy in documentation, and less chance for errors and legal issues. That's a general reason from the business side of why we see a need for this. An electronic record is also necessary for ACA requirements and incentives.

Rep. Bellew: How long will it take to get this online?

Schweitzer: I'll defer to IT on that. But we do have issues with the current system, it's old, it's difficult to support. From a business side, staff are very concerned about if it will last.

Rep. Holman: How difficult will transitioning in the history from the old system to the new system be?

Rep. Nelson: Is there a requirement that all facilities need to go to electronic health records?

Schweitzer: That is correct. The Joint Commission and Medicare require us to provide a significant amount of data and information that is almost impossible to access without an electronic health record. It affects our accreditation, and that affects our payments.

Rep. Nelson: With the age of the AIMS system, is that company still offering that particular system?

1:01:40
Witham: The company that wrote the AIMS software is no longer in business. Software support has been discontinued. The department purchased the software source code and has been managing it unsupported since about 2003. The possibility of a crash is a looming worry. The software can't support the correct century, which could cause problems with patient birth dates and treatments. It has some embedded quirks. So the system today is functioning, it is HIPAA compliant, but it would not meet the Affordable Care Act meaningful use requirements or interact with the health information network. It's very limited.

Rep. Nelson: When patients go back to their home areas from the state hospital or regional human service centers, is this electronic record more portable to local healthcare?

Witham: Yes, you are correct. The idea of the meaningful use criteria is the ability for you to be able to exchange information with other healthcare providers, so you get comprehensive healthcare. It allows you to exchange information electronically. This was presented to the state IT advisory committee for prioritization. It came third on the list, following needs of the department of emergency services. Once this project is started, in July 2013, we believe it would take three years to replace it and complete the full migration, and we would do it in phases. I don't anticipate a concern about mapping the data and converting it into the new system, especially because we have been supporting this current system and are familiar with the data structures.

Rep. Holman: Is that labor intensive, or automatic?

Witham: It would be labor intensive. The $5 M is for the initial purchase. It does not include ongoing costs, because we were anticipating it would take us three years to complete; it would be the 15-17 budget request that would show the ongoing costs.

Rep. Bellew: Why aren't federal funds available if ACA requires electronic records?

Witham: State hospitals do not qualify for certain Medicare and Medicaid incentives. However, there is a ramp up of incentive funding associated with meaningful use and the implementation of electronic health records. On the out years it becomes a penalty if you are not compliant, if you don't have a modern system to interact with other providers. We may be able to offset some of the cost with meaningful use incentive dollars. If we don't get

the project, we are looking to use those funds to upgrade our current human service center system. But it would be a much better approach to look at it comprehensively and create that continuum of care.

Chairman Pollert: What are your costs in this biennium for MMIS?

Witham: The costs to continue are in the detailed line items. We want to present it in a format that is easy to understand. It can get buried with other things in these object codes. Continued presenting line items in Attachment 4, minute 1:13:10. Concluded 1:25:10.

Chairman Pollert stated the committee was in recess until the following day.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/17/13 AM
JOB 17360

☐ Conference Committee

Committee Clerk Signature	Meredith Trachsolt

Explanation or reason for introduction of bill/resolution:

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert reconvened the committee.

Deb McDermott, Fiscal Administration, DHS: Distributed Attachment 1.

02:30
Carol Cartledge, DHS: Presented Attachment 2, covering Economic Assistance Policy.

25:35
Chairman Pollert: Do you do anything in your budget on advertising?

Cartledge: Under SNAP, there is outreach. There is an advertising component under Alternative to Abortion. That is 50% federal funds and no state funds. Resumed budget presentation minute 27:40.

29:40
Rep. Bellew: Where do SWAP dollars come from? Are they county dollars, or state?

McDermott: HB 1041 of the 1997 session was the SWAP legislation. Prior to that, we billed the counties for a portion of the grant costs. On the return side, they would submit their expenditures to us for admin, we would draw down those federal funds, and then cut them a check back for the federal funds we could get on admin. What the SWAP legislation did was state that the state was going to pick up all of the non-federal share for economic assistance grants, so we're not billing the counties anymore for their portions of those grants; in return, what was swapped out was the fact they still submit their administrative claims to us, we still go to the federal government and get those federal funds down, and then those federal funds stay within the state, we don't pay them back to the county

anymore. We call those SWAP or retained funds. It's the federal match we can draw down from county administrative expenditures.

Cartledge: Resumed budget presentation.

41:45
Rep. Bellew: The Indian county allocation is given to counties for their administrative costs to run the program in the Indian counties?

McDermott: That is correct. It's on reservation or tribal trust land, so it's non-taxable land. This helps offset the economic assistance cost.

Cartledge: Resumed budget presentation.

44:25
Chairman Pollert: Caseload on SNAP and TANF is going down; does that mean your Medicaid claims should drop, too?

Cartledge: There isn't a connection, they are two separate eligibility pieces. There is one application form for multiple services, so it is easier for individuals to apply, but each program has their own eligibility requirements.

Rep. Bellew: Because SNAP benefits went down $40.6M, how did that affect the Indian county allocation? Did that amount also go down?

McDermott: Indian county allocation has continued to go up for several bienniums. In this biennium alone it went up $606,000. Although it is tied to SNAP cases, it is percentage of non-reservation cases to reservation cases and then we take the administrative costs that the counties submit to us for economic assistance. So if their costs go up, that's what drives the allocation. It's based upon their administrative expenses.

Cartledge: Resumed budget presentation.

52:25
Rep. Nelson: I believe a bill is going to be introduced that would require drug testing for economic assistance recipients. What programs would allow that, if that bill passed?

Cartledge: If such a bill were to pass, SNAP, because it is federal requirements, would not be able to impose a drug penalty. There is that possibility under TANF, however, anyone who comes in and applies does go through an assessment process with the employment contractors, such as Job Service, and the assessment does include substance abuse. If issues are identified, they are mandated to go through counseling and to receive the services. If they do not, then they go through the sanction process. For LIHEAP and childcare assistance, payments go to providers, not to families.

Rep. Nelson: So this bill would not have a lot of effect in ND, for practical purposes.

Cartledge: We have vehicles to deal with it, within ND, which I don't know if other states actually do that same thing.

Maggie Anderson, Interim Executive Director, DHS: I did meet with the legislator this morning, who is looking at that legislation, and our legal staff is currently checking on lawsuits, because some states are going through the courts on this. We're also pulling the cost of all of the drug tests, because those would be costs the state would incur, and access to the actual drug screening tests.

Rep. Holman: What does a drug test cost?

Anderson: The legislator thinks around $50, and we are checking our current costs.

Cartledge: Resumed budget presentation. Concluded 1:06:00.

Chairman Pollert called a recess until the afternoon.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

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☐ Conference Committee

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the committee back to order. We will go right into child support.

Jim Fleming, Director, Child Support Enforcement Division, Department of Human Services (DHS): Presented Attachment 1 beginning minute 1:30. Explained that the new FTE was added during the special session and was an attorney to implement medical support, then continued through the budget.

06:35
Rep. Kreidt: How do you calculate travel costs?

Fleming: Our travel increase is in state. For in state travel, we take the motor pool when we can, and use the motor pool rate when employees have to use their own vehicles.

Rep. Wieland: It looks like there is about $50,000 in additional travel, is that correct? That's a lot of travel.

Fleming: Our travel patterns are not identical in each year. The Year 1 travel included some meetings located in Bismarck that will not be located in Bismarck in Year 2. It's not apples to apples. Some of the assistant directors are getting their new positions in order.

Chairman Pollert: When you use the state fleet, are you charged their rate?

Deb McDermott, Fiscal Administration DHS: Yes, when we budgeted last time it was on $0.37/mile, and for the next biennium they told us to budget $0.47/mile. The travel is in the Admin & Support budget. The travel included in here is the mileage for the division's regional supervisor to drive his own vehicle. The rate fluctuates throughout the biennium.

Rep. Wieland: There is no alternative to this travel, it has to be face-to-face?

Fleming: This money includes two assistant directors; it also relates to travel for a new position, a locate specialist. They help every case worker in the state lighten their load. We have included in our operating side of the budget a program called Go to Meeting to reduce the number of trainings. We don't want to get away completely from face-to-face travel so we stay in touch with all the county folks. The employees that travel the most don't like to be on the road, but they feel it's something they need to do.

Rep. Nelson: It's my understanding that the tribes require a face-to-face meeting. How much of your client base is based on the reservation?

Fleming: That is an area where you would see the actual usage be less than what the budget is. We were not participating in Spirit Lake tribal court for quite a while. We are now back into tribal court, and the travel budget includes the travel for our attorney to go to those hearings. It's a much bigger travel commitment to go to Turtle Mountain, and we do have that in the budget. Tribal courts do not accept appearances by telephone; state courts do. We have to respect that.

Rep. Wieland: It used to be that sometimes you would travel to the tribal courts and their judge wasn't there, causing the need to go back several times. Has that improved?

Fleming: It's improved somewhat, but it's still an issue. The no-show rate is too high. But it is important for the state to show its willingness to participate in the tribal court. Continued presentation of Attachment 1, minute 21:50.

28:50
Rep. Wieland: Do you charge anyone for genetic (paternity) testing?

Fleming: We no longer charge anybody for that. We stopped doing that 3-4 years ago. It became apparent, as the cost of the test dropped, that it was not cost effective to recover the money, and sometimes people failed to participate because of the cost involved, and we didn't want that to discourage them. Resumed presentation of Attachment 1 on page 3, minute 29:40. Concluded 33:30.

35:40
Janet Engan, Director, Aging Services Division, DHS: Presented Attachment 2.

Rep. Bellew: It appears that the benefits package is about 52% of salary, can you further explain that?

Lori Laschkewitsch, Office of Management and Budget: If you are just looking at benefits overall, that would be because of the health insurance in relation to their salaries. Every employee has $900+ per month for health insurance.

Engan: Resumed presentation of Attachment 2. In response to a question about meals, presented Attachment 3 beginning minute 43:00.

Chairman Pollert: Do you have an average cost for a meal?

Laschkewitsch: Since I put the $800,000 in there, I can explain. They had requested $1.7M of additional funding, using a reimbursement of about $4 and change per meal, when actual cost is $7 and change per meal. In some areas, especially rural areas, they are having to discontinue preparing the meals because they can't afford to prepare them at the amount they get reimbursed. The project directors requested $1.7M, we chose to put in $800,000.

Engan: For nutrition programs, there are various funds available to the provider network for meals, and these funds lumped together, we reimburse at a unit rate of $4 per meal. The funds used are federal dollars. We also have state funds to providers, as shown on the operating fees and services schedule of Attachment 2, and the state equalization funds, which is $1.2M and which the providers themselves decide how to divide. There are also incentive contracts, provider match, and participant contributions.

58:00
Rep. Wieland: Is there also a mill levy match from the counties?

Engan: Yes. That is divided in the counties and comes back to senior centers or a contract entity that they can use to match their federal dollars, or it may be used as additional local. When I add up the funds we have available to the providers for their contract year, you divide into that the number of meals provided, and that gives you a rate per meal, not the cost of the meal, which comes up as $7.20 for 2011 calendar year. That is based on the dollars made available and actual meals served. We look at the average cost for a meal statewide, based on expenditures, and it comes to $7.84 per meal. We label that sixty cents beyond the rate as 'additional local.' They may be using some of their mill levy to support that, it may be fundraisers, it may be a gift.

Rep. Nelson: There is also a bill to raise the mill match to a mill; where is that accounted for in these numbers?

Laschkewitsch: Mill match is in the state treasurer's office budget, where it was moved 3-4 bienniums ago.

Engan: The mill match may be used as a part of their local match, and it may be used as that additional local; mill levy match does not necessarily have to go to nutrition programs.

Rep. Nelson: Do some of these groups contract with cafes in some areas for meals?

Engan: There's a variety of ways in which meals are provided, including that. We count them as congregate or home delivered in the delivery process.

Rep. Kreidt: On the home delivered meals, are those done mainly by volunteers, or do some sites have to pay people to do that?

Engan: I polled the project directors about that, and it's a combination depending on where you're at.

1:17:15
Chairman Pollert: I see guardianship is under operating fees. You had talked about an increase of $1M for guardianship services, is that what is listed here?

Engan: Yes, the $1.04M. HB 1040 and 1041 and SB 2195 deal with APS, vulnerable adult protective services. The $40,000 brings the aging services budget back to what it was prior to this biennium for guardianship. This biennium we've had additional funds in there that increased the number of petitions petitioning support we could provide in addition to that $500 stipend or enhancement to guardians to see if that made a difference in getting guardians. That was sunsetted at the end of this biennium. This year in those guardianships we've assisted with, we've seen about 40% came through our vulnerable adult protective services program. With your permission, we'd like to put together a comparison looking at HB 1041 and SB 2195.

Chairman Pollert: So $1M is new here, and there is HB 1041 which is $1.6M, and SB 2195 which is $1.6M.

Engan: Correct.

Chairman Pollert: Will all these guardianship sections have something unique compared to the others? If those bills are duplications, we need to know that.

Laschkewitsch: I was aware of the discussions during the interim about trying to expand the guardianship, and based on trying to balance the amounts of money that I could include in the budgets, I chose $1M.

1:24:00
Engan: Presented Attachment 4; the grants schedule on page 5 of Attachment 2; and Attachment 5. Concluded 1:38:00

Chairman Pollert called a recess until the following day. Meeting ends minute 1:39:20.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
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HB 1012
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☐ Conference Committee

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert called the committee section to order. All were present. We are doing the children and family services detail this morning.

02:05
JoAnne Hoesel, Department of Human Services (DHS): Presented Attachment 1.

17:25
Rep. Kreidt: I visualize grants as money that is awarded to some entity. Why would they get a 4% inflator?

Hoesel: The 4&4 inflationary increase reflects the increase in costs for them to do business. They need to have their costs covered.

Rep. Kreidt: If I'm a grant applicant, I'm going to look at my costs so I can make it on the grant amount. If I'm guaranteed a 4% increase, that doesn't promote efficiency.

Hoesel: Even though they're in the grants line, these are actually contracts that the agencies have with us. These are specialized agencies. There aren't a lot of agencies doing this type of work. They also provide us budgets, so we know their costs are reasonable, and they're non-profit agencies so they have federal requirements to meet. This request this year is not usually done for this contract, but we know their costs have increased. These agencies don't count on getting a 4&4, that's never guaranteed; this has been a hold-even contract for some time. In order for them to do business and do it well, we believe they need to be reimbursed for their costs.

Deb McDermott, Fiscal Administration, DHS: This is the same type of provider as a hospital provider or any other provider; those are considered as grants, too. Basically, we

are treating this provider now like how we treat some of the other providers that provide services for the department with that inflation, which we hadn't in the past.

Chairman Pollert: Are inflators retro, or prospective?

Maggie Anderson, Interim Executive Director, DHS: I see it as a recognition of the services they're providing, and an assurance that they continue to provide the services. If we went 10 years, or two years, without any inflationary increases to providers, there would be some ramifications, and some would drop out.

Rep. Wieland: Is the 4% passed on to families who adopt?

28:45
Leann Johnson, Division of Children and Family Services, DHS: Children, and their families, served through the contract, based on their individual characteristics of being a child with special needs, may be eligible for an adoption assistance agreement, which we call subsidized adoption. It has three parts: the monthly amount, medical assistance, and reimbursement of their fees. That agreement wraps up the sub-adopt. Once that monthly amount is negotiated with the counties and paid for by the state, those amounts don't go up or down unless it is agreed upon between the family and the county. The subsidized adoptions themselves aren't subject to any type of inflationary increases.

Hoesel: The 4&4 is passed on to the families in the payment.

Rep. Wieland: What is the total number of subsidized adoptions in the state, and when do the subsidized monthly payments stop?

Johnson: The age limit is either at age 18, or, if the child meets certain eligibility criteria, it may go up until the child is 21.

Chairman Pollert: That individual could probably access services for disabilities or special needs after the age of 18 or 21 that might not be provided by the family. They would then be under a different program in the DHS budget.

Hoesel: In prior testimony on January 15 (AM) there was an attachment A that addressed the numbers. In 2011-2013, there were 1073 subsidized adoptions in ND. We anticipate that to increase by 126. It also shows the increase in cost per case. Also in today's Attachment 1, the last page gives the history of subsidized adoptions back to 2005-2007.

45:35
Rep. Kreidt: How are we involved with Head Start?

Hoesel: This division has what's called the Head Start State Collaborative Office, whose responsibility is to bring the agencies together and look at all Head Start programs across the state. I would also like to address questions about the Chaffee Independent Living Program from the other day. It's named after John H. Chaffee, who brought forward this legislation at the federal level. It offers assistance through a variety of services to help current and former foster care youth achieve independence. That contract is with PATH.

Chairman Pollert: Would that show under the grants line item?

Hoesel: Yes. It's the Independent Living Program (in Grants, Benefits, & Claims Budget Account Code 712000 of Attachment 1), $24,573 general fund, $1.033M federal. We had 415 youth served in federal FY2012. Discussion of Operating Fees and Services in Attachment 1(Budget Account Code 621000) resumed, minute 49:35.

1:01:25
Rep. Wieland: Are we seeing a large increase in number of number of kids in foster care?

Hoesel: Foster care caseload has fluctuated in the last year. Also the last page of Attachment 1 is a description of the caseload. Continued budget presentation. Concluded 1:19:25.

Chairman Pollert called a recess. Meeting ends minute 1:21:15.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/21/2013
Job # 17445

☐ Conference Committee

Committee Clerk Signature	Marlys Kienzle

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Attachments #1,2,3,4,5,6,7,8,9,10,11,12,13

Chairman Pollert: opened the public the meeting

Larry Bernhardt: Executive Director of Catholic Charities North Dakota. 3:26 - 9:44
Provided written testimony - attachment #1.
Larry also included that there was an unofficial study on how many positions this would require, for the four agencies that were testifying today. This would be 15 for Path, 7 for Catholic Charities, 7 for Village and unsure of Lutheran Services. There would be other providers who need this assistance. He will try to get numbers of the cost and provide it to the committee.

Chairman Pollert: Asked if anyone would have testimony on the portion of Economic Assistance.

Terry Traynor, Assistant Director of North Dakota Association of Counties. 10:55 -26:14
Provided written testimony - attachment #2
Terry did say that there was no additional Federal Funding for counties that have reservation on them. There could be Tribal Social Service that assumes some of those responsibilities.
The counties that have plus 10 mills and those we have data for Ramsey, Sioux and Williams Counties. There are counties that boarder the reservation that has very little reservation land. For example Eddy County and they levy 24 mills, Grant county 22 mills.

Representative Nelson: Is it your understanding that because the State Legislature has not appropriated any funding that this is the reason that it is not being utilized? Is there a bill that is being floated in the House or Senate this session? Does the bill being drafted attempt to address the issue where the payment will drop the mill below that 10 mill levy every year?

Terry Traynor: That would be the reason. Unlike the Tribal Fail Safe provision, stating that they will fund, this says that the Legislature may. There is one bill already and another one that will look more broadly at how to take some of cost that occur for the counties throughout the State. At this time the bill drafted does not address the issue where the payment will drop the mill below 10 mill levy and from keeping it from jumping back and forth. Terry addressed second the issue of Civil Legal defense of indigent persons.

Representative Nelson: Do you have a cost for that last section? This will be needed.

Terry Traynor: We do not for statewide but could develop that.

Chairman Pollert: The next section is Child Support. No testimony. Next is Aging Services

Karen Ehrens: 27:40 -37:56 Coordinator of the Creating a Hunger Free North Dakota Coalition **(CHFND)** provided written testimony - Attachment #3.

Representative Wieland: Asked how long have you been in existence, where do you get funding, and where does the 800,000 go?

Karen Ehrens: The coalition has been in existence for about 2 years, we first began as a taskforce that was studying hunger in the state. We decided to stay together as a coalition. We receive minimal funding, and received funding from a grand from the ND Dept. of Health. The $800,000 would go to the providers that prepare and serve the meals.

Chairman Pollert: We will now hear testimony for Family Services.

Janelle Regimbal: 39:45-59:60 Senior Vice President of Lutheran Social Services of North Dakota provided written testimony - attachment #4.

Janelle Regimbal Also directed the committee that she has attached three (3) written testimonies from clients, which is included in attachment #4.. They include that of a father, a mother and a grandmother.

Dale Twedt: 1:00:38-1:11:48 Executive Director of PATH of North Dakota provided written testimony - Attachment #5.

Rep Bellew: Is there any program that they can stay in foster care until they are 21 if they so choose?

Dale Twedt: Yes there is a program that youth can return to foster care after they are 18 if they are continuing with school programing and these youths are served until they are 21.

Chairman Pollert: You mentioned your cases were up 35 cases in one year. Can you give me a previous history of your case load?

Dale Twedt: When we started the program 2 years ago the numbers were down slightly, due to the transition of the program. Before that each county provided this service through the state.

Chairman Pollert: The committee had a discussion of the form for inflationary and as how it relates to Grants wise. Do you see your expense going up?

Dale Twedt: Some of the costs we have seen effecting this program have been dealing with the western part of the state. If we lose a staff it is very difficult to hire a replacement.

Rep Holman: We have lots of kids in foster homes in this state. Some are in homes, some in group homes, what is your goal as to where they go.

Dale Twedt: We serve all youths if they are in a Private home drug rehabilitation center or a group home. We make arrangements so that youths can be transitioned into the community upon the time they get the skills they need to function.

Sandi Zaleski: 1:12:30-1:21:51 Program Director, Village Family Service Centers Intensive In-Home Services. Provided written testimony- attachment # 6
Our client load is increasing and we are trying not to have waiting lists so we are trying a 90 day model, by serving families in a shorter time frame. In Minot and Williston it has become very difficult to hire staff.

Tim Hathaway: 1:23:47 - 1:33:04 Executive Director of Prevent Child Abuse of North Dakota. Provided written testimony - attachment #7

Representative Nelson Asked for a brief breakout of grant money that it is utilized in the state.

Tim Hathaway: The project that is being referred to is "The Maternal Infant Early Child Visitation Project which is a federal grant is 3.5 million and hoping to serve 250 children in the Spirit Lake and Turtle Mountain tribes. What is different about this program is that there is a research component with UND. This will be a 3 year project but we have a projection from the tribes for funding.

Chairman Pollert: If we give this money would this take away money from the other Foster Care placement budget.

Tim Hathaway: I am unsure of the Foster Care Budget. This prevention care reduces the amount of foster care needs, which we do have the facts that it does.

Janelle Regimbal: There has been a lot of data done nationally about the programs Tim has discussed and these programs will save dollars. We haven't done this research here to see what dollars we saved locally. I think it is important, as this has given more dollars for the research of these programs with the University of North Dakota. We will be able to do more home visits and will be able to quantify the service. Our average cost to provide our service, looking at last year's data, was a little under $2,000 to serve a family in our 4 county area. Looking at the average cost to having a youth at the Youth Correctional Center at Mandan is about $180 a day and the7 month stay for one young High Risk juvenile placement averages $37,800.

Chairman Pollert: We will now hear testimony on Aging Services.

Pat Hansen, 1:40:38 - 2:04:58 Executive Director of South Central Adult Services in Valley City, and a member of the North Dakota Senior Service Providers. Provided written testimony - Attachment #8

Chairman Pollert: The formula you mentioned in your testimony is that a new funding formula or is that a formula that the Dept. uses to figure how they are going to their congregate meals.

Pat Hansen: My understanding is that this is how the Federal dollars are allocated. Staffing is very difficult because we are completing with same type of jobs for more money and benefits.

Josh Askvig, 2:05:36 - 2:08:03 Associate State Director of Advocacy for AARP North Dakota. Provided written testimony - Attachment #9

Chairman Pollert: We will hear from Centers for Independent Living, which is under State Vocational Rehab.

Nate Aalgaard: 2:09:30 - 2:22:00 Freedom RCIL, with the North Dakota Centers for Independent Living. Provided written testimony - Attachment #10

Nate Aalgaard: Stated that the center of independent living (CIL) is not for profit agency.

John Johnson: Center for Independent Living, illustrated to the committee maps on what the current center of independent living areas look like, what the CIL would look like in the future if received funding. Also a map of the areas not served or underserved in North Dakota.

Rep Weiland: There are 70,000 people in North Dakota who identify themselves with a disability. How many of those people require or need services.

John Johnson: 1,191 received direct services, 9,179 called us for information.

Randee Sailer: 2:23:00 - 2:24:15 Provider written testimony - Attachment #11

Kim Erickson: 2:24:51- 2:26:39 provided written testimony - Attachment #12

Vicky Gross: 7:30 - 2:34:20 Disabilities Advocate for the Protection & Advocacy Project - Attachment #13

Rep Weiland: So you are asking for an additional $760,000 total is that correct? And how would this money be spent?

Vicky Gross: That is what I saw in the AOR's. The VR's service, which is time limited, is completed, Extended Services comes in and helps people maintain. The Benefits planner has gotten a Grant from Social Security to do the Advocates Piece and now this funding has ended. We now have a half time person which will be difficult to maintain the service necessary.

Chairman Pollert: Committee was in recess.

2013 HOUSE STANDING COMMITTEE MINUTES

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☐ Conference Committee

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Minutes: Attachments 1,2,3,4,5,6,7,8,9,10,11,12,13

Chairman Pollert: Opened the hearing with testimony on Rehabilitation.

Written testimony was handed out to the committee by Martin Chase in support for the Centers for Independent Living on House Bill 1012. Attachment #1.

Zelda Gebhard: 00:42 - 19:10 Co-Legislative Liaison, North Dakota Association of the Blind. Submitted written testimony - Attachment #2.

Chairman Pollert: Asked for testimony for Mental Health and Substance Abuse.

Carlotta McCleary: 20:42 -26:42 Executive Director of ND Federation of Families for Children's Mental Health (NDFFCMH). Submitted testimony - Attachment #3 She wanted to have it understood that nothing has help mental health as much as employment.

Rep Weiland: Was the funding for Parent to Parent a grant?

Carlotta McCleary: It was funded by the Mental Health Fund Grant Block Dollars.

Richard Ott: 26:50 - 28:25 Executive Director for the Head Injury Association of North Dakota. My question is how we may our pleas worth your consideration? We have asked 3 people to come before you. First we have a professional who will give you some statistics and some information that you will find astounding. Secondly we have a parent/ caregiver/volunteer who is been working with us for a long time. Thirdly we have a person who has gone through the experience of a head injury.

Rebecca Quinn, 28:25 - 50:08 Traumatic Brain Injury Program Director Center for Rural Health. Submitted testimony - Attachment #4.

Quinn emphasized to the committee that Resource facilitation would be a valuable resource that North Dakota does not have. This resource is adopted in 40 other states.

Quinn encourage the committee to give due consideration for a resource facilitator. The governor's executive budget does contain a line item in his budget.

Rep Nelson: Are there any programs through the VA that assists with TBI Head injuries?

Quinn replied that there was no enhancement that the VA provides us but there is access for veterans that are returning with brain injury through the VA. One of the stances I have taken is what is good for veterans are good for all of North Dakotans. One of the key notes is training professionals. I feel I train more professional than I work with the patient. There are too many for me to help so we need more professional with training.

Rhonda Boehm: 50:55 - 1:09:42 is a mother of a TBI patient. Testified and submitted written testimony - Attachment #5
Ronda included that there are now 12 mentors across the state.

Jennifer Buresh: 1:13:33 - 1:24:05 TBI patient due to domestic abuse and violence. She is mentored by Lisa Anderson. Testified and submitted written testimony - Attachment #6

Nancy McKenzie: 1:25:0 - 1:31:29Public Policy Director for Mental Health America of North Dakota (MHAND) testified and submitted written testimony - Attachment #7

Chairman Pollert: What is the difference of a PEER Sports Specialist and a Resource Facilitator?

Nancy McKenzie: The Resource Facilitator is more of a care navigator person that could assist families and individuals with head injuries.
The PEER Specialist is an individual who is themselves is in recovery from a Mental Illness. They may help others but also help other individual's hands on.

Shiobhan Deppa: 1:32:00 - 1:38:49 Consumer Family Network (CFN) of North Dakota. Testified and submitted written testimony In support of 10:12- Attachment #8

Deppa speak in support of additional funding for Peer Support services. There are 8 PEER support locations.

Chairman Pollert: Is there any training course to be a PEER Specialist?

Deppa: In Bismarck it is known as the Dakota Learning Center. There are 3 Certified Specialists. They have their own degrees that they earn which is on the job training but the most important thing is that they have their own mental health disability.

Corinne Hofmann: Director of Policy and Operations for the Protection and Advocacy Projects (P&A) submitted written testimony - Attachment #9

Chairman Pollert: We will now move on to Developmentally Disabled.

Dianne Sheppard: 1:41:04 -1:54:00 Executive Director for the Arc, Upper Valley in Grand Forks. Submitted testimony - Attachment #10.

Representative Kreidt why don't you use a CPI to increase allowance? Instead of going for years then ask the legislative assembly for a bump up.

Sheppard yes we have. If we could get that amount raised to $100 now and build in an inflation that would a great and easier to manage.

Representative Kreidt: Your number 4 point under guardianship, there is another HB 1041 that is coming out with about a million 40 thousand, would you have access to this funding?

Sheppard Those have distinct groups that they will be serving. Maggie Anderson would also be able clarify this.

Barbara Murry: 1:54:34 - 2:04:34 Executive Director of the North Dakota Association of Community Providers. Submitted written testimony - Attachment #11

Murry informed the committee that through a grant, a video was produced and it will be final this week. She told the committee that if they were interested she would share.

Diana Bales: 2:05:06 - 2:15:53 Foster Care caregiver. Submitted testimony - Attachment #12

Rep Weiland: What do you mean by a survey professional?

Diana Bales: There are teams that go into these agencies and see what they are doing. This makes these agencies accountable for what they do. Right now it doesn't seem they answer to anyone. The DD case manager can make a decision about some body's life without answering to anybody. They don't have to listen to the families or a mere foster mother.

Chairman Pollert: So you are saying is that right now the agencies that the clients are though do not need to get state approval to move them to another group setting?

Diana Bales: They are supposed to have a DD case manager. In this case the DD case manager had been injured. How this got through the local office and up to the state I am unsure.

Chairman Pollert: Have you ever gone through a survey yourself?

Diana Bales: No and I would welcome one. I have never been written up in 16 years so I must be doing thing right.

Jon Larson: 2:16:00 -2:24:17 Executive Director of Enable, Inc. I am testifying on behalf of the North Dakota Association of Community Providers (NDACP) Submitted testimony - Attachment #13.

A questioned was asked without the mic about the turnover.

Larson: He felt it was about the same as any of the other agencies.
More questions were asked without the mic.
Questions again asked that were not inaudible.

Larry Bernhardt: 2:24:49 - 2:36:54 Executive Director of Catholic Charities North Dakota (CCND) Submitted testimony - Attachment #14

Rep Weiland: Did you say that $356,000 was included in the Governor's budget?

Larry Bernhardt: It is not. It is not even an AOR. It is an additional request since the Department's budget was developed. We put our request in July and since July the waiting list has gotten extensive and we have needed to make that adjustment.

Sandi Marshall: 2:37:28 - 2:46:38 Is president of the North Dakota Association Of Community Providers (NDACP) and Chief Executive Officer of Development Homes a non-profit DD provider agency in Grand Forks.

Rep Weiland: You said you support the reframing of the purpose of the Center where people go ect. How is this purposed?

Sandi Marshall: There is a bill that has been introduced to change the name of the Development Center.

Christine Hogan: Testifying for Theresa Larson. She is a lawyer with Protection and Advocacy. Her first point was that the agencies priority in the DHS budget is community integration. We also strongly support the Community Providers Platform and the notion of increase in wages.

Chairman Pollert 2:47:50 - 2:49:32 recessed committee 2:50:00 is the end of tape jmc

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Minutes:

You may make reference to "attached testimony."

Chairman Pollert reconvened the committee and opened the public hearing.

Jerry Jurena, President of the North Dakota Hospital Association (NDHA): Presented Attachment 1 beginning minute 0:55. Concluded 5:25.

Rep. Kreidt: Regarding Medicaid expansion, due to the fiscal strength of the federal government I think it's going to fall on the state. What are your thoughts on that?

Jurena: I hear your concerns and they are valid. At this point all I can tell you is that the federal government said they have committed to 100% reimbursement, for the next three years, for the people we bring on, and then it will ratchet down to 90% in 2017. I can't guarantee things won't change, that this will be forever.

Rep. Holman: There's another issue involved here, giving complete health care to the people now using emergency services because they don't have insurance coverage. Is there a potential to save money in the long run, as has been promoted?

Jurena: The people that are using the ERs in the western part of the state are most likely unwilling to give us the appropriate information for billing, which is why bad debt is so high in that part of the state. The majority of those are young oil field workers. In the rest of the state, east of Highway 83, we are also experiencing increases in bad debt. That has less to do with oil workers, but just what is going on in ND. Looking at access to urban health care, we think there are people who would benefit from the Medicaid expansion program.

Rep. Nelson: There's an explosion in bad debt. It seems that more people on high deductible plans may also be a piece of the growth. Can you expand on other areas you

are seeing as to why the growth? What are hospitals discussing with the implementation of the Affordable Care Act (ACA)?

Jurena: The bad debt issue is overwhelming in the state. There is no real difference east or west of 83. We do have a handle on what's going on in the west. Medicare, Medicaid as a percentage is going down, uninsured or commercial insurance is rising, so we can say bad debt on the west side is probably due to what's happening in the oil field. We do not have a good handle on what's happening east of 83 at this time. Getting into ACA, right now there is a coding offset that has been implemented to pay for the doc fix. That is a $17M reduction in payment to PPS hospitals in ND per year for 10 years. Another issue is E&M codes; if that is implemented, it means $24M a year to the state. There are 21 states working together to look at what happened in Massachusetts. The bigger issue is Medpac is taking a look at all the special deals in reimbursement to PPS hospitals, which could impact the rate equalization in the Frontier Amendment, which would be a $68M hit to the hospitals. Sequestration could also affect hospitals statewide. There are a lot of issues we are looking at, and they are pretty much all negative.

Chairman Pollert: In the passage of the ACA, they said they would honor the Frontier Amendment. Has that happened?

Jurena: Yes.

Rep. Kreidt: Do you have a lump sum figure for the bad debt you have been talking about?

Jurena: $224M for all hospitals.

Chairman Pollert: Even with all these programs and dollars, have we been getting behind? And if they go away things will get worse?

Jurena: Yes, that's exactly what I'm telling you. Due to reimbursement rates, since Medicare/Medicaid doesn't pay the total cost, and we have that bad debt, we have become experts at cost-shifting. We have to absorb some costs and move them onto somewhere else. We have all these components that we have to figure out: fee schedules, Medicare cost, Medicaid cost, total cost, allowable cost, all of that has to be shuffled in there. In the end, yes we are suffering, we are trying to compete with salaries for oil fields, with what's going on in surrounding states with better reimbursement than ND. Blue Cross is the one that we keep shifting to, because general population is usually not able to pay for the health care cost and will fall into bad debt.

28:50
Rep. Wieland: How does rebasing help?

Jurena: It brings us up to a certain date or time where our costs have been verified by either Medicare or Medicaid through a cost report. It is done at the state level.

Rep. Nelson: Is there a breakdown by facility of the payer mix?

Jurena: There are some hospitals that are around 60% Medicare; Medicaid up to 20%; bad debt averages around 3%...roughly 85% of people in the state were not paying 100% of what it costs to provide services. BlueCross has been the savior of many facilities across the state by keeping them afloat. Yes, we can get that information by facility to you.

Chairman Pollert: What's happening in Rolla?

Jurena: They are struggling, but they know there is some additional money coming.

40:00
Craig Lambrecht, President, Sanford Health Bismarck: Read testimony submitted by David Molmen, CEO, Altru Health System, see Attachment 2. Continued with his own testimony, see Attachment 3, beginning minute 42:55. He added that a shortage in the healthcare labor force is a serious issue, and labor is the largest part of his budget.

50:05
Chairman Pollert: I noticed Sanford is going to China. Is their delivery system that much different, or is it just more government controlled?

Lambrecht: A lot of folks are going to China. It is an integrated world. Yes, it is very much government controlled. We trade commodities, we can also do it with healthcare, which is our greatest resource in the US.

Rep. Nelson: How do you develop your strategies for bringing in professional development and how important is that expansion of the medical school to employment opportunities at Sanford?

Lambrecht: We have a nursing shortage. Nurses are getting older. There's more demand for services. Our nursing college is expanding - we're going to double our college size. It costs a lot of money, but we need those nurses. When it comes to the medical school, if we are going to grow our own, expansion is important. To what level, is up to you. When we recruit doctors to come to our facility, I want doctors that know the culture and are going to stay here, and most of those are UND medical school graduates.

55:55
Darrold Bertsch, CEO, Sakakawea Medical Center, Hazen, and Interim CEO, Coal Country Community Health Center, Beulah: Presented Attachment 4.

1:06:35
Rep. Wieland: Is it the intent of CAHs to make money or break even?

Bertsch: All the CAHs are not-for-profit organizations. We want to be there to provide services in our local communities when that care is needed.

Rep. Nelson: What is the end result of the bad debt? Is there a general trend as to why this is exploding?

Bertsch: We see more individuals coming to the ER with no insurance or underinsured, or they know how to abuse the system. We're used to operating small community CAHs where we take care of everybody, regardless of ability to pay. We're finding more and more we need to operate more as a business, collect as much as we can up front, etc. Some of it is oil industry, some is economic times. The move to higher deductible health plans is also shifting the burden to individuals.

Rep. Nelson: What's the mix of ND-grown physicians, and your opinion of the medical school expansion?

Bertsch: We find that those physicians that are trained in ND are more likely to stay in ND. We support the expansion of the medical school. It improves our chance of recruiting and retaining them in the state. The majority of our physicians are UND grads.

Chairman Pollert: What the difference between rural health clinic (RHC) and federally qualified health center?

Bertsch: A RHC has to be located in a health professional shortage area or medically underserved area. Medicare pays those clinics the cost of providing services, based on the previously mentioned cost report. A federally qualified health center is a community health center that is grant funded to provide care to those that don't have insurance or that meet certain sliding fee scales. The reimbursement to them is different than that received by a RHC. These are Medicare designations.

Chairman Pollert: Are the ambulance services owned by CAHs a drain on the hospital budget, or do they take care of themselves?

Bertsch: They don't make money, the hospitals support those services.

Rep. Kreidt: What is going on with community health centers? Are they expanding?

Bertsch: Yes, there are satellites, and there is the ability to expand community health centers and develop new access points. Unfortunately, with the uncertainty of federal funding, there have not been a lot of new access point monies made available to do that expansion.

1:19:15
Courtney Koebele, Executive Director, North Dakota Medical Association (NDMA): Presented Attachment 5.

1:26:10
Chairman Pollert: ACA - with the expansion that is in section 3, if approved, are there enough physicians to take care of that increased demand?

Koebele: The medical school has been working diligently on their healthcare workforce initiative to increase physician supply in ND. It's my understanding that the people on Medicaid under the expansion have been seeing the hospitals. There's not an increase in patients, so to speak, it's a shifting of the payment. NDMA has no position as far as the

expansion of Medicaid, however, it's my understanding that it will even out because people won't access the ERs as much, they'll get more preventative care under Medicaid.

Rep. Kreidt: As an association, do you track how many physicians are close to retirement, how many you expect to come in?

Koebele: We do have an aging workforce. At least 1/3 are over age 60. I don't believe a lot of our state's physicians are retiring just because of ACA. To put our resources into investing in the medical school is very important.

Rep. Nelson: Do you know the mix in the state of home-grown physicians, and foreign J-1 visa applicants, another important physician group in our state?

Koebele: I can get that to you. The J-1, or foreign educated doctors, is about 25%.

1:31:55
Josh Askvig, Associate State Director of Advocacy, AARP North Dakota: Presented Attachment 6; also handed out written testimony from Pat Herbel, Attachment 7, and Mike Tomasko, Attachment 8.

1:40:55
Rep. Kreidt: Under ACA, by 2014, all individuals are supposed to be covered one way or another. Why would we want to quickly pick up another 32,000 individuals on our Medicaid rolls? Eventually we'll be paying for them, and that's a tremendous burden on the taxpayers of this state.

Askvig: I think the question is, what about the future after 2020? The law says 90%. Can the law change? Sure. It shouldn't be done at the expense health and retirement security for vulnerable adults and the oldest Americans. According to CMS documents and regulations, if we got in a situation where we could not afford this, we could opt out.

1:52:45
Karen Ehrens, Volunteer, North Dakota Economic Security & Prosperity Alliance (NDESPA): Presented Attachment 9. Minute 1:56:25 presented additional testimony as a licensed registered dietician: We need to invest in prevention. We need to invest in healthy food and access to physical activity. We can reduce the need for care in clinics and hospitals, which will help to address much of the crisis that we are seeing in the state by keeping our people healthy.

1:59:30
Nancy McKenzie, Public Policy Director, Mental Health America of North Dakota (MHAND): Presented Attachment 10.

2:10:30
Tom Regan, ND Rural Behavioral Health Network (RBHN): Presented Attachment 11.

2:16:25
Terry Peterson, Social Security Benefits Planner, Rehab Services, Inc.: Presented Attachment 12.

2:28:15
Michon Sax, Member/Volunteer, AARP of ND: Presented Attachment 13.

2:35:05
Vicki, Participant, Northland PACE: Presented Attachment 14.

2:43:30
Tammy Theurer, Director, St. Alexius Home Care & Hospice, and Member, Governing Council, North Dakota Association for Home Care: Presented Attachment 15.

2:46:00
Barbara Murry, Executive Director, North Dakota Association of Community Providers: Presented Attachment 16.

2:49:50
Rita Cole, Member, AARP and Maple River Senior Citizens, Enderlin: Presented Attachment 17.

Chairman Pollert: How many people show up on average?

Cole: About 20 daily, and 18-25 meals that go out on a daily basis.

Chairman Pollert: Do you have to keep records about how many congregate meals you do, and how many home-delivered meals, and do you worry about if someone switches to a home-delivered meal sometime, do you have to worry about paperwork or just do it?

Cole: Yes, we do keep record. Yes, but that's really not my job. I do, I take care of that, and when we have people that don't show up, we call to find out why.

Chairman Pollert: Do you have a sign up saying 'donations are welcome'?

Cole: We have a money can when they come in; it's a suggested price of $3.50, but any donation. There are also those that buy meal tickets, $70.00 for a whole month.

2:56:00
Wilfred Schill, Member, AARP: Presented Attachment 18.

Chairman Pollert called a recess.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/22/2013PM
JOB 17552

☐ Conference Committee

Committee Clerk Signature Meredith Trachodt

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent

Minutes:

You may make reference to "attached testimony."

Chairman Pollert reconvened the committee.

The committee received written testimony from **Tom Alexander, Project Director, ND Center for Persons with Disabilities** (see Attachment 1); **Josh Askvig, Associate State Director of Advocacy, AARP ND** (see Attachment 2); and **Vickay Gross, Disabilities Advocate, Protection & Advocacy Project** (see Attachment 3).

Shelly Peterson, President, North Dakota Long Term Care Association: Presented Attachment 4.

26:35
Rep. Kreidt: With the closing of the facility in Underwood, are they planning to bank those beds?

Peterson: They have 50 skilled beds; by March 15, their scheduled closing date, they have to inform the Department of Health where those beds are going. Currently, the plan is for the beds to move to the Bismarck-Mandan area. By March 15, 2017, they have to put those beds in service in the designated area, or sell them somewhere else.

Chairman Pollert: When did we last rebase?

Peterson: This month, using the 2010 cost report and the allotted inflation. Even though we just rebased, facilities are still spending $8M more than they are being reimbursed. We are not able to keep up with the cost of delivering care.

Chairman Pollert: I understand why you want the wage pass through and the inflator, but I struggle with how we control the cost of long term care in nursing homes.

Peterson: The average cost to spend one day in a nursing facility is $220. It is expensive. 75% of that cost is employees, the people we need to employ to deliver that care. Medical inflation and the cost to deliver care are never going to go down because the cost of the labor continues to go up.

Rep. Bellew: I think part of the reason for the high turnover rate with CNAs is the working conditions, what they are required to do. Until you can improve that, I don't see the turnover rate changing much.

Peterson: Being a CNA is physically demanding work, but what we found through a satisfaction survey is we have a very satisfied workforce. The personal relationships that develop help them see they are making a difference in someone's life. It's emotionally and physically exhausting, but that's why it's so important you get the right person, that the job is something that they love. We try to have flexible work environments, pay a good wage, treat people well. At least, we need to have an attractive benefit-salary package so they want to work for us.

43:20
Kurt Stoner, Administrator, Bethel Lutheran Nursing and Rehabilitation Center, Williston: Presented Attachment 5.

47:00
Rep. Nelson: Ballpark, what do you currently pay your full time CNAs, LPNs, and RNs?

Stoner: Our starting CNA salary is $13.60/hour. The average CNA salary in ND is $13.58, with starting being $11-something. Our board just approved, without any additional funding, a $1/hour increase for everybody. This is above the 3% merit increase allotted last session. Keep in mind for our staff we have FICA, pension plan, health insurance, all the costs of employing people, so it's much more than $13.60. Agency staffing is very expensive, and we currently utilize three different agencies to keep up. They cost more per hour, but we also don't have the employment costs. I will get you a breakdown of all of that.

Rep. Nelson: Are you responsible for housing for agency staff while they're there?

Stoner: Some of the agencies have purchased some sort of living environment. We are starting to use some of our senior apartments to house our staff and agency staff, which is not an easy decision as we have over 200 seniors on the waiting list. You are right, we have to cover the cost of housing; some staffing agencies wrap that into what they charge us. It's almost impossible. We're trying our best. We are looking at building an apartment building for staff.

Chairman Pollert: Can facilities get an exemption from some of the regulatory requirements in times of great need?

Stoner: I honestly think our state health department is coming into our facility with their eyes wide open and a compassionate heart. They really do understand what's going on. But they have a job, too, they represent the government, who is paying the bill for the care. I don't know that they can not do their job. Resumed presentation on page 2, minute 52:35.

58:30
Rep. Kreidt: If you got extra dollars for facilities by being in an oil impacted county, would you use that again for salaries, or do you have other directions where those dollars would go?

Stoner: I can't imagine we wouldn't use it for that. The biggest obstacle facing every employer in Williston is housing. If there were some sort of change in the regulations that allowed the housing component to be put into our rates, that would be greatly beneficial, except, now I'm over the limits. Whatever they approve, I'm not going get. This is not business as usual. I don't want to diminish the struggles in other parts of the state, but the game I'm playing is not the same as in Wahpeton or Mayville. If we are going to have long term care in the oil patch in the future, you're going to have to help us out.

1:03:25
Daniel Kelly, CEO, McKenzie County Healthcare Systems, Inc., Watford City: Presented Attachment 6.

1:11:25
Rep. Wieland: Your bad debt for the last three years looks to be $2M. How can you do that and remain in business?

Kelly: When our bad debt was $600,000, we had just a small operating loss. We were able to absorb that within our operation. In perspective, though, when our bad debt rose to $1.2M last year, we lost $356,000 from our operation. That is not sustainable.

Chairman Pollert: Do you have reserves that you are using?

Kelly: We do have reserves, $1.2M available. You can do the numbers. We need to rise above this. We will need to cut back on services, or expenses, which we've done; but at some point you cut and impact care, or you go out of business.

Rep. Nelson: You are a fully integrated facility. We heard testimony that closing Bethel in Williston was not an option. Is closing any of the departments in your facility an option? What types of contingencies are you looking at?

Kelly: The McKenzie County Healthcare System doesn't exist because of the population base, it exists because of geography. If we didn't exist, people would travel two hours for care. The departments are dependent upon each other. Our hospital supports our nursing home, and vice versa. It isn't an easy decision to close one of those. We will continue to fight to the bitter end. We are optimistic, I do think things will look different in 3-4 years. But over the next 2-4 years, we need assistance.

Rep. Nelson: Was Watford City one of the cities that had a ballot measure about public financing for the facility?

Kelly: We did not. It is something we are going to look at.

Rep. Holman: What does the Governor's budget do for you? Will it help keep you from that $1M shortfall?

Kelly: As an optimist, I think it will greatly help. One item of the triad of daycare, housing, and wages, will help. Address of all three in some manner will help.

Rep. Nelson: What are your gross revenues?

Kelly: Overall, $14M.

1:20:20
Tim Cox, President, Northland Healthcare Alliance and Northland PACE: Presented Attachment 7.

1:36:20
Chuck Stebbins: Presented Attachment 8.

Chairman Pollert declared a recess until the following morning. Meeting concluded 1:46:10.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/23/2013 AM
JOB 17586

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

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Minutes:

1,2,3,4,5,6,7,8,9

Chairman Pollert reconvene the committee.

02:10 - 04:55

Carol Cartledge, Director of Economic Assistance DHS, provided the committee with schedule for travel within her department - Attachment #1.

05:40 - 06:35

Deb McDermott- Fiscal Administration DHS

Provided the committee additional information from Cheryl Hess, Executive Director, regarding DD grants as attachment to her January 14th, 2013. - Attachment #2.

07:00 - 29:01

Deb McDermott- Fiscal Administration DHS

Provided the committee with schedules that were asked during detail hearings.

(1) 2013-2015 FMAP Breakdown - Attachment #3.

(2) 2013-2015 Executive Budget - Salary Underfunding - Attachment #4.

(3) 2013-2015 Executive Budget 4% / 4% Inflation - Attachment #5.

(4) 2013-2015 TANF Block Grant Revenue/Estimated Expenditures - Attachment #6.

30:05

JoAnne Hoesel, Director of Program and Policy DHS provided the committee with a Handout that was asked for during her overview. Substance Abuse Treatment Admissions by Primary Substance of Abuse states to TEDS through Oct 15, 2012. - Attachment #7

34:17

Hoesel presented detail for 2013-2015 for Mental and Substance Abuse - Attachment #8.

1:35:33

Russ Cusack, Director of Vocational Rehabilitation. Provided the committee with detail of Budget. - Attachment # 9.

1:53:11

Lynn M. Derman, Fiscal analyst for Vocational Rehabilitation. Answered fiscal questions related to vocational rehabilitation.

1:55:58

Cusack continued his testimony of his division detail budget.

2:24:17

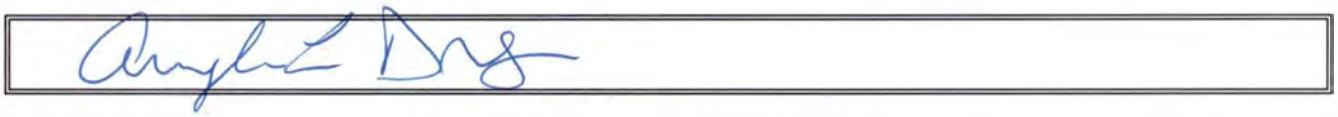
Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/23/2013 PM
JOB 17639

☐ Conference Committee



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Minutes: Testimony 1, 2, 3, 4, 5

Chairman Pollert reconvenes the committee at 1415.

Written testimony submitted by **Steven Reiser**, Social Service Director for Dakota Central Social Service District in support for HB 1012 was handed out. Attachment #1

01:40 - 38:55

Alex Schweitzer, Director of Institutions & Humans Service Centers, presented detail of his budget for the Traditional Services - State Hospital. Attachment #2, reduction in salaries. (3:51)

Chairman Pollert: Are psychologists living in the Jamestown area?

Alex: Currently all of the psychiatrists and psychologists are living in Jamestown.

Chairman: Human service center?

Alex: One individual drove in from Bismarck, but she doesn't any longer, there is another that travels to Dickinson from Bismarck.

Rep Nelson: If everything falls in place, how many psychiatrists do you have openings for?

Alex: We have 3 openings, we need 5, and one medical director.

Chairman: Are the two taking the positions or still considering?

Alex: Still considering our offer, they are quite interested. (6:21). These docs are J1 Visas.

Chairman: Is that a 3 year commitment?

Alex: That is correct.

Chairman: What is the competitive market like? Is salary one of the issues still outstanding?

Alex: Not concerned about salary, it is very competitive. It's usually environment, living in ND, social factors, family.

Chairman: What was the bed count during the last biennium higher with same amount of staffing?

Alex: We have fewer beds because we closed the child adolescent center.

Chairman: Did the FTEs get moved to other divisions?

Alex: Were moved to the developmental center. Some of the FTEs were transferred there also.

Chairman: Did it only require 2 FTEs for those 8 beds? Do you have extra FTEs at the hospital and developmental center?

Alex: FTEs were used at developmental center because of added program.

Chairman: I thought you were running fuller?

Alex: Like a roller coaster, peaks and valleys. 2006 to 2008 we have run or exceeded 100%. Since 2008 through 2012, we're back to 86%. We staff at 85%. (Continues on budget 13:00)

Chairman: If I could back up, how many years is the coal approved for?

Alex: Not sure, maybe Ken can answer that.

Ken Schulz, CFO - ND State Hospital, replied to questions regarding stack test, (17:06). We shouldn't have to do a stack test in the near future. We get a permit to operate every year.

Rep. Weiland: Addressing Alex, What do you mean by a stack test?

Alex: Ken can answer that.

Ken: I'm not an expert. Equipment measures the emissions from the smoke stack and they are looking for carbon monoxide, mercury, etc. Goes over EPA regulations that are taking effect in 2014.

Rep Weiland: They test for mercury and carbon monoxide?

Ken: Yes.

Rep Kreidt: During testing, were you burning coal?

Ken: Yes.

Rep Kreidt: And the other part is like a scrubber in a power plant?

Ken: Yes. That is what a bag house is.

Rep Nelson: Do you burn lignite coal?

Alex: We burn lignite coal, yes.

Rep Nelson: All lignite?

Ken: (interrupts) No, we do not burn lignite, we burn subbituminous coal. (22:28)

Alex: (discussing budget, professional development with increased stipends)

Rep Kreidt: Do you pay the tuition and they work a certain amount of time?

Alex: Yes, we do. There is an agreement that they have to put in a certain number of years. If they don't, they pay us. Most of the time they stay. (continues to discuss budget for operating fees, road repairs, and professional services)

Chairman: Can I back up to overtime? Looks like a doubling?

Alex: Yes, there is a significant increase in overtime. The increase is due to moving everything from Secured Service into this budget. It used to be budgeted separately.

Chairman: So Secured Service and traditional is all in this detail?

Alex: Secured Service's overtime budget has been moved over into this detail.

Chairman: Is it because you're sharing FTEs between traditional and Secured Services that the overtime is put over this way?

Alex: It's all in the human resource area. We just put it in one budget so we can track it.

Rep Bellew: Is that what these other salaries are about too? There is $125,000 increase there.

Alex: The other salaries are because we are covering our doc openings. We have a retired doc that came back to work for us.

Rep Bellew: I'm trying to understand why you're doing the overtime this way. So you have a lot of overtime on Secured Services?

Alex: This is for the entire hospital. (30:37) (continues to discuss budget) Offers to provide a schedule.

Chairman: Yes, we would like to see that. Also, it has been requested on equipment over $5000.

Alex: The total was $221,413 and we'll get you a schedule on that as well. (continues on to discuss budget account code 621000)

Rep Bellew: Explain the miscellaneous refunds - sales tax on Gobbler and Volunteers. If that's a sales tax refund, I don't understand why the state is paying for it.

Alex: I'll have Ken explain.

Ken: We charge sales tax for sales from Gobbler, our coffee shop, and from our volunteers department, anything that they sell that is required to have sales tax paid on it. There's not a good place in the budget to put that. The state hospital pays the sales tax to the tax department. Send in tax report quarterly.

Rep Bellew: So this refund is the sales tax charge that you're sending into the state?

Ken: Yes.

Alex: (discusses Budget account code 62300 and 58200 36:04-37:44)

Chairman: Any questions on traditional service side?

Alex: (presented detail of his budget for the Secured Service - State Hospital. Attachment #3 (38:59)) This facility is for the sex offenders. There are 76 beds in this area. Currently 65 patients. Six are on indefinite leave at the Department of Corrections that will be coming back. Eleven patients currently in evaluation status. Not all will be admitted.

Chairman: Do you remember where you were last year? Like at 56?

Alex: Yes, in 2011 it was 58. 2005 there were 33 patients in the program.

Chairman: So you have 65 patients now and 11 evaluations and you could have 6 coming in?

Alex: We have 6 in the prison that will be coming back.

Chairman: Are they in the state penitentiary or JRCC?

Alex: They always go back to Bismarck. (continues discussing testimony #3 45:19-52:55)

Rep Bellew: How long does it take to do a psychological examination?

Alex: It takes some time. State law requires that the patient is allowed an independent evaluation.

Chairman: So that's by statutory code?

Alex: Yes, chapter 25 of sex offender law requires an independent evaluation.

Chairman: So does Dr. Etherington do that?

Alex: Dr. Etherington oversees that but we have 4 evaluators on staff to do it. They also do competency evals.

Chairman: Do the sex offenders have their own psychologist or does the state have an independent that they would call to have the independent review?

Alex: There is a group of psychologists that do this type of service.

Chairman: So we have to pay that as a general fund?

Alex: Yes, that is the law that we pay for it.

Rep Nelson: What happened to the one FTE that was decreased in the Secured area?

Alex: Ken will answer that.

Ken: That position went to the developmental center.

Chairman: Calls for 15 min. break (at 57:23)

Chairman: Committee back (57:27) to continue discussion on developmental center.

Alex: (presented detail of his budget for the Developmental Center - located in Grafton, ND - Attachment #4.) (provided the committee with a map of the campus located at Grafton, discussion held on buildings) DC works on continuing to transition people to the community. This budget is for 67 adults, 8 youth, and 12 individuals who live in community ISLAs in the Grafton area, and 6 individuals who come from community facilities in Grafton to the work activity program. In the last year we had 24 discharges from the center and 18 admissions, 8 of those are the kids. There still seems to be a safety net need. Some were transferred from the state hospital because we couldn't find appropriate community settings for them.

Rep Weiland: Which building are the 8 kids that went from the state hospital housed in?

Sue Foerster, (Assistant superintendent of the Development Center. Answered questions regarding the facility. Information relayed by Alex to committee)

Alex: They are in Maplewood 1 and 2.

Chairman: Can you go through the map?

Alex: The majority of individuals on the campus are in Cedar Wood and Maple Grove. They are the newest residential sites on the campus. The New Horizons building was used for residential but because of transition, there is no one in the building any longer.

Rep Nelson: Is that one of the three scheduled to be torn down?

Alex: No, not the New Horizons building.

Rep Nelson: So New Horizons is being heated and there is utility service?

Alex: Yes.

Rep Nelson: How about the other two?

Alex: Limited heating.

Chairman: So you're talking Pleasant view?

Alex: Yes, Pleasant View and the refectory.

Chairman: And those will be torn down?

Alex: Yes, if budget is approved. (continues discussing the map) We rent space in Prairie View to tenants throughout the community.

Chairman: How about the one south of it?

Alex: The Villa de Remer and Hancock Place are owned by an independent individual and it is elderly housing.

Rep Nelson: Do they take advantage of meals or anything on the campus?

Alex: It's independent living, however some individuals pay for meals in our cafeteria.

Chairman: Professional Services Building?

Alex: Professional Service Building is our administrative building. There is a migrant health clinic on the second floor. The driver's license division rents space on the third floor.

Rep Kreidt: Do the separated buildings pay for their own utilities?

Alex: I'm going to ask Carol. (to Carol: Did we meter those buildings?) They are off completely. Villa and Hancock are not part of our power plant.

Chairman: So Health Services and Food Service are all used.

Alex: Health Services is used for physical and occupational therapy. Food Services has the cafeteria. The individuals that live in Health Services will eventually go to Cedar and Maple because of transition.

Chairman: What about the cottages?

Alex: Those are utilized by a variety of providers in the Grafton area that have individuals living in them and independent support living arrangements. The house across from the PT/OT houses 3 individuals in ISLA. Collette Auditorium is used by both the community and us. Collette has a fitness center that the community uses.

Rep Bellew: How big is the center in acres?

Alex: (to Carol: Do you know that?) I'm not sure. I'll get it for you.

Rep Nelson: Are Cedar Grove and Maple Wood designed in pods to segregate the types of residents?

Alex: That is correct. The pods work well.

Chairman: Is that 2 stories?

Alex: No, it is a single story.

Rep Weiland: Are Cedar Grove and Maple Wood two or three stories?

Alex: They are single story.

Rep Weiland: How many units are in there?

Alex: I'll have Sue answer that.

Susan Foerster, Assistant Superintendent at the Developmental Center: Within Maple Wood and Cedar Grove, there are four different pods in each unit. Within the four pods, there are 3 suites with 12 bedrooms each. Our preference is for the adults to have their own private living space.

Chairman: Which would mean how many people?

Susan: There would be 24 bedrooms all together.

Chairman: Your FTEs are at 392. How is that compared to 3 biennium ago?

Alex: The 09-11 was 430. The current budget is 392.76. We have a slight decrease and yet are managing an additional 8 kids.

Rep Nelson: Is there an anticipated decrease in FTEs in the next two years?

Alex: The goal by the end of this biennium should be 67 total people, not 75.

Rep Weiland: Are there kitchens in each of the pods in the two main units?

Alex: There will be. They are being built now. We want to move away from having a centralized dining area. Centralized dining is very labor intensive. (continues on to discuss testimony #4)

Chairman: So the stack test was for the state hospital and the developmental center?

Alex: They both passed so we can use coal at both sites. (continues to discuss operating costs 1:21:36)

Chairman: Can you touch on the Operating Fees and Services?

Alex: I'll have Carol do that.

Carol M. Ebertowski, Fiscal officer for The Developmental Center: The "bed tax", provider assessment is $2,104 each quarter for the next biennium on the 175 beds.

Rep Bellew: You're assessed $2,104 each quarter for 175 beds, but you only have 75 residents.

Carol: That's correct. We are licensed for 175 beds. We don't have a capacity that we are required to stay at.

Rep Bellew: Mr. Chairman, is it necessary to keep them at 175?

Carol: That is for the cabinet.

Rep Bellew: The administration should make that decision, right?

Carol: Right.

Chairman: Does the provider assessment bring reimbursements back in?

Carol: No.

Chairman: Can someone explain that better to me?

Carol: Deb?

Deb McDermott, Department of Health: The provider assessment is a federal regulation that can be charged based upon the DD beds within the system.

Chairman: Will we be getting to this on DD?

Deb: They will have a portion of it as well. Because the Developmental Center has DD licensed beds we can charge or bill them a tax rate equivalent to 6% of the revenues that are brought in. We determine system-wide what 6% of all the revenues are and determine what that tax can be for each fiscal year. There is a provider assessment tax fund that was established probably five biennium ago where the taxes are paid into a fund at the tax department. We use those provider tax assessment funds to fund the Medicaid grants.

Chairman: Would the committee like to see an example of how that is done?

Deb: I don't know what an example would be. Basically the tax department at the first of every quarter, based upon the licensed beds that each facility has, sends a tax bill. The facility has to pay the tax department.

Chairman: All the facilities do?

Deb: Yes, a quarterly tax rate on the licensed beds. That money goes into the provider assessment fund at the tax department. Once a quarter, the tax department tells us how much money is in the provider assessment fund. We can draw that to pay for the Medicaid grant expenditures.

Rep Kreidt: This is the provider tax?

Deb: Yes.

Rep Kreidt: You're attracting federal dollars?

Deb: Yes.

Rep Bellew: Which facilities were you referring to?

Deb: All the ICFMRs.

Rep Bellew: Throughout the state?

Deb: Yes.

Rep Kreidt: What dollar amount are you taxing per bed?

Alex: $2104

Rep Kreidt: Does that fall under the FMAT?

Deb: Yes. The monies that are generated from that tax can't be used for the services that generated the tax. The taxes generated on the ICFMR beds are used in the medical services grant area.

Alex: (continues discussing budget at 1:29:59. Hands out Capital Improvements)

Chairman: Are there any capital improvements at the developmental center?

Alex: Yes.

Chairman Pollert recessed committee (tape ended 1:33:58)

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/24/2013
JOB 17725

☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

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Minutes: Testimony 1

Chairman Pollert called the committee to order

Tina Bay, Director of Developmental Disabilities - DHS presented the committee with the operating budget for her division. Attachment #1: (starts at 2:29, discusses budget)

Rep Wieland: Year 1 is one fourth of your total travel budget. Why is three fourths of the travel budget being spent in year 2?

Bay: Our travel budget also includes our federally funded Part C program. We cancelled our staff conference last year due to budget constraints. We anticipate having the training conference this year.

Rep Weiland: Is that a substantial amount of money? How many people attend?

Bay: We anticipate 40 state staff for our Cross Roads conference and 40 staff from the Infant Development Programs.

Rep Weiland: How much for each individual?

Lynn M. Derman, Fiscal Analyst liaison for DD: The Cross Roads Conference is budgeted for just under $20,000 for the state employees and approximately $28,800 for non-state employees. This is for 2 years. Roughly $25,000 per conference for travel costs.

Rep Weiland: (questions year 2 budget amount)

Bay: We have an additional FTE who will be out doing surveys of 10 providers per year.

Rep Weiland: How much will that cost?

Bay: $4,800 for the biennium.

Chairman: Do you do a survey on the people and agencies taking care of the DD?

Bay: We have a licensing process for care providers. They go through a certification process with the Department of Health. We license the agency. The accreditation counsel, the CQL counsel, does a certification every 4 years. Our program managers our required to have face to face contacts with the families on a quarterly basis.

Chairman: Can you address repairs?

Bay: The money in that area is utilized for a yearly recalibration of hearing machines.

Chairman: Can you address professional development?

Bay: It includes registration fees for conferences, dues and memberships.

Chairman: Would you go through the schedule of operating fees?

Bay: (refers to Budget Account Code 621000)

Rep Bellew: Do you have a list of the specific places where the payment system contracts go?

Bay: I have the names, but I will get a list. The contracts we currently have are with the Rushmore Group, JBGA.

Rep Bellew: What does the JBGA consultant do?

Bay: The Senate Bill 2043 instructed us to develop and implement a prospective related payment system. The JBGA consultant does this.

Rep Bellew: Will you explain the system of how you determine the payments?

Chairman: That's the Bucket Bill.

Bay: Our current system is a retrospective system. We set an interim rate for our providers based on the number of FTE staff to client ration. At the end of the year, they have an audit conducted by our provider audit unit. Based on the findings of allowable and non-allowable costs, there is a final rate determined. There is either a payback to the department or the department owes them additional funds.

Rep Kreidt: How are the audits going?

Bay: We are at about 18 months for the final audit. (continues on to discuss the current payment system and will provide it in writing at 20:55)

Rep Bellew: Is it possible to get the total cost of autism costs?

Bay: We will provide that.

Rep Weiland: What does Bill 1556 fit in?

Bay: That is that bill where we received appropriations to study the current system we have and to make recommendations.

Rep Bellew: Was the Minot State Autism contract omitted from the 2011 budget? Did you forget about it?

Bay: Yes.

Rep Bellew: How did you fund them?

Bay: I'll explain it when I get down to another contract that we omitted.

Rep Bellew: How long has Minot State had this contract?

Bay: November 2010

Chairman: Why did the Acumen self-directed services contract double?

Bay: That contract was funded, but it was under-funded in this biennium.

Rep Nelson: What is the general fund increase?

Derman: It would be approximately 50% general funds. The increase of $431,000 would be roughly $215,000 general funds.

Chairman: Are you providing more services with the contract?

Bay: We are seeing an increase in the utilization of our self-directed services.

Chairman: Can you give me an example of a self-directed support?

Bay: If a family chooses to provide in-home support, they will hire staff. Our fiscal liaison pays that staff person.

Chairman: What is a Section 11 contract?

Bay: These funds were designated by the legislature to provide residential and employment services to individuals who do not meet the ICF ID level of care.

Chairman: Are the two Part C contracts federal?

Bay: Yes. There is an increase in the Corporate Guardianship contract of $330,719.

Rep Bellew: Explain Corporate Guardianship.

Bay: It is the contract we have with Catholic charities to provide guardianship to those who do not have someone to be a guardian.

Rep Bellew: Do you automatically award this contract?

Bay: We do not RFP that contract.

Rep Bellew: Do the Catholic charities have to submit a budget to you?

Bay: The contract is based on the number of wards they can serve. Our current contract is for 414 wards. They have a waiting list, so we looked to increase the budget to serve more wards.

Rep Kreidt: How many individuals are under guardianship and DD?

Bay: Currently 414.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/25/2013
JOB 17769

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

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Minutes: 1,2,3

Committee clerk Carter handed out to the committee the Proposed Capital Projects for 2013 - 2015 for the Development Centers. Attachment #1

2:54 - 41:02

Tina Bay, Director of Developmental Disabilities - DHS submitted testimony detailing DD Grant - Attachment #2.

Bay presented testimony on page 2- **ISLA (Individualized Supported Living Arrangement)**

This is for residential service provided to people with developmental disabilities and /or intellectual disability 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.

The monthly average of actual persons receiving is 791 with the actual cost per person of $4,657.39. With actual units of service of 24,273 and the actual cost per unit is $151.77.

Representative Bellew asked Bay what is a unit?

Jamie Wilke, Facilities Rate Administrator for the Developmental Disability Division responded that a unit is a day.

49:06

Bay continued her testimony on page 3 - **ICF/ID (Intermediate Care Facility for the Intellectually Disabled) Adult.**

This is 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.

The monthly average is 226 actual persons receiving services with the actual cost per person of $11,153. With actual units of service of 7,225 and the actual cost per unit is $349.33.

59:04

Chairman Pollert called on **John Larson**, Executive Director of Enable replied to the Representative Kreidt request regarding ICF's depreciation and amortization schedules.

Larson testified that there are different schedules, although he is not a bean counter he believes that the ICF are on a 25 year depreciation schedule and they are amortized on a 40-50 year schedule.

1:14:52

Chairman Pollert asked Maggie Anderson- Interim Executive Director DHS and Director of Medical Services to address what the statue is and different rate structure

Anderson explained the rate setting structure. The rates are difference between nursing home and ICF.

1:17:16

Chairman Pollert called the committee back in session

01:18:02

Bay continued her testimony on page 4 - **Day Supports (DS).**

This is a single day program, which encompasses services previously known as Developmental Day Activity. Development 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, recreation, and therapeutic activities to maintain physical, recreational, personal care and community integrations skills, development of nonjob 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.

The monthly average is 1,149 actual persons receiving services with the actual cost per person of $ 2,314.16. With actual units of service of 160,653 and the actual cost per unit is $16.74.

1:25:34

Wilke the budget is built off numbers of persons served, actual units and utilization growth.

01:30:00

Bay continued her testimony on page 5 - **ICF/ID (Intermediate Care Facility for the Intellectually Disabled Children)**

This is 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

The monthly averages are 85 actual persons receiving services with an actual cost per person of $17,545.13. The actual units of service of 2,780 and the actual cost per unit is $ 539.23.

01:42:43

Bay continued her testimony on page 6 - **ICF/ID (Intermediate Care Facility for the Intellectually Disabled) physically Handicapped.**

This is 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.

The monthly average is 115 of actual persons receiving and the actual cost per person is $13,087.42. Actual units of service are 3.726 with actual cost per unit of $ 405.27.

Chairman Pollert asked of Bay if an example of this program would be the Enable and Hit programs.

01:47:46

Bay continued her testimony on page 7 - **Minimally Supervised Living Arrangement (MSLA)**

This is a community waiver group home or community complex setting, which provides training in community integration, social, leisure and daily living skills.

The monthly average is 225 person receiving services with the actual cost per person of $6,100.99. The actual units of service of 6,946 and the actual cost per unit are $197.93.

1:49:55

Bay continued on page 8 - **Transitional Community Living Facility (TCLF)**

This 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.

The monthly average is 155 actual persons receiving services with the actual cost per person of $5,534.43. With actual units of 4,737 and the actual cost per unit is $181.17.

Chairman Pollert what is an example of a TCLF?

Bay replied **Chairman Pollert** Pride Inc.

1:56:39

Bay continued on page 9 - **Infant Development (ID)**

This is a home based, family focused service that provides information, support and training for families to assist them in meeting their eligible child's needs. A child may receive Infant Development until he or she is three years of age. Services included in Infant Development are individualized Family Support Plan (IFSP), Evaluation, Consult and Home Visits.

The monthly average is 909 actual persons receiving services with the actual cost per person of $628.18. With actual units of service of 3,287 and the actual cost per unit is $173.80.

2:10:13

Bay continued on page 10 - **Family Support Services - In Home Support (FSS-IHS)**

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 hygiene and activities of daily living.

The monthly average is 598 actual person receiving services with the actual cost per person of $1,621.16. With actual units of service 32,511 and the actual cost per unit is $29.83.

2:18:12

Bay continued on page 11 - **Autism Spectrum Disorder (ASD) Waiver**.

The ASD waiver provides services birth through age four for individuals living with a primary caregiver. The goal of this waiver is to support the primary caregiver of maximizing the child's development and preventing out of home placement. Services include environmental modifications, equipment and supplies, in-home supports and intervention coordination.

The monthly average is 12 actual persons receiving services with the actual cost per person of $1,172.05. The actual units of service 68 and the actual cost per unit is $209.55.

2:26:55

Deb McDermott- Fiscal Administration DHS, responded that the general fund increase is 15.2 million in DD grants area. - Attachment # 3.

McDermott responded to additional questions regarding the emergency fund.

2:31:06

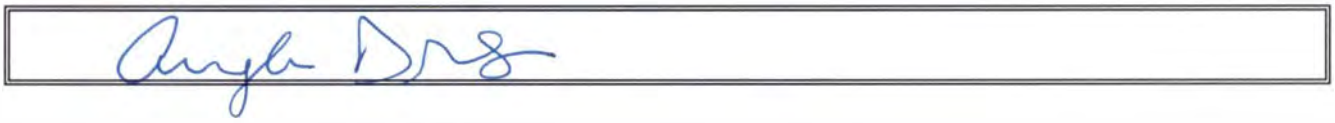
Chairman Pollert recessed the committee

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/28/2013 AM
JOB 17811

☐ Conference Committee



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Minutes: Testimony 1, 2, 3, 4, 5, 6, 7, 8, 9

Chairman Pollert reconvenes the committee

Alex Schweitzer, Director of Institutions and Human Service Centers, handed out a chart that Representative Bellew requested regarding fiscal data on Psychological evaluations for sex offenders - Attachment #1.

Laurie Gotvaslee, Director of the Northwest Human Service Center (NWHSC) and North Central Human Service Center (NCHSC) of the DHS (04:27) Read her testimony - Attachment #2.

Rep Weiland: Since your rent has gone up $15, are you protected for the full two years? Or is it a one year contract?

Gotvaslee: There is a documented increase that the business manager will cover later.

Rep Kreidt: Were you one of the facilities that received the $500 per month increase?

Gotvaslee: Yes. NWHSC currently receives the $500 oil filed add-on.

Rep Kreidt: Is that used to help them secure housing or additional salary? How is that money being used?

Gotvaslee: Each full time staff member receives that money and uses it for the cost of living increase, child care or housing.

Rep Kreidt: Has it helped?

Gotvaslee: Yes. But in regards to hiring, there are fewer people applying for the positions due to lack of housing.

Chairman: Do each of your 43.75 FTE receive $500 per month in the Northwest?

Gotvaslee: Correct. Full time employees receive the full amount and part time employees receive a percentage based on their hours.

Rep Nelson: How has your turnover rate changed since you've implemented the cost of living provision?

Marcie Wultschick, Human Resources Director of the DHS: The turnover rate for NWHSC in 2011 was 33.19% and in 2012 the rate was 25.69%. The $500 increase was implemented in April 2012.

Rep Nelson: Is the $500 cost of living increase comparable to private sector companies?

Wultschick: The Department of Transportation was offering $484 when we were implementing out plan. Since then they have implemented an additional housing allowance. Compared to private companies, $500 is on the low end. Many are offering $1000-$1500 specifically for housing.

Rep Bellew: Is the $500 included in the baseline?

Gotvaslee: No. It isn't in their salary. It's considered an operating expense.

Rep Bellew: Where did the money come from to pay this?

Paul Kramer: It is included in salaries, but not in the base. It doesn't affect benefits. It has a separate pay code. The funding comes from excess collection dollars.

Chairman: Did the $500 come from that particular human service center alone from their current budget? Or is it coming from other sections of the DHS budget?

Kramer: We look at the collections within the human service centers, not necessarily just that one center.

Gotvaslee presents the NWHSC Organizational Chart (35:52) - Attachment #3.

Clinton DeVier, Business Manager for North West Human Service Center (NWHSC), North Central Human Service Center (NCHSC) and Lake Region Human Service Center (LRHSC) presented the Budget details for NWHSC (38:34) - Attachment #4. The $500 is in administration's budget. The cost for the first year is included in the permanent salaries in this budget.

Chairman: Explain the increase in rent.

DeVier: The rent for the Human Service Center Building and Alcohol & Drug Program are in the same facility. The rent has recently changed to $15.25 per square foot. The total should indicate $760,000. This is a ten year contract with two year renewals, with 4% built in each year.

Chairman: What was the rate before it changed to $15.25?

DeVier: Around $9.

Rep Bellew: How many beds are in the Alcohol and Drug Program?

Gotvaslee: Approximately 20 beds in the crisis residential unit and the addiction part, so 8-10 beds in the addiction part.

Chairman: Explain the Transition to Independence Program amount.

DeVier: Each human service center has a budget of $40,000 for this biennium.

Joann Hoesel, Director of Program and Policy with DHS: The Transition to Independence Program is for youth who have difficulty transitioning into adulthood and may have problems with homelessness, mental illness or addiction.

Chairman: What is the $40,000 used for?

Hoesel: Examples of what the fund is used for include: the first month rent, deposit or books for college. It's used for one-time expenditures.

Rep Nelson: Does the any portion of the $40,000 go to the salary of the person who administers this program?

Hoesel: No, they are existing staff. This funding goes to the services for the youth in the program.

Rep Nelson: When was this program implemented without the enhanced funding?

Hoesel: During the 11-13 biennium.

Rep Nelson: Where did the funding come from?

Hoesel: The Division of Mental Health and Substance Abuse wrote a small grant that was funded through the Substance Abuse and Mental Health Association. We also had some Olmstead funding. These funds are no longer available. They were one-time grants.

Chairman: Was the Substance Abuse grant federal money?

Hoesel: Yes.

Chairman: Is the Olmstead federal or state?

Hoesel: That is also federal.

Chairman: Is the caseload increasing?

Gotvaslee: At NWHSC, the TIP program is a half-time position. That case manager has 15-18 cases and half of those are TIP. I don't know if that is an increase.

DeVier presented Grants Summary (58:27).

Rep Bellew: Explain Medication Monitoring.

Hoesel: Med Monitoring is a program where NDAD provides staff to go into the community to distribute medications to clients.

Rep Nelson: What are the Special Funds?

DeVier: It's the client collections when we bill for our services.

Rep Nelson: Is that on an income-based fee schedule?

DeVier: A lot of services are billed like a clinic through insurance, Medicaid or Medicare. The difference they owe after that is based on their income. We've seen an increase in people requesting waivers.

Chairman: Explain DD Services and Recovery Center.

DeVier: DD Services is the Experienced Parent program ran by Minot State University. Recovery Center is a drop-in center that has activities and social recreation for mentally ill people.

Gotvaslee continues the overview for NCHSC (1"05:19) - Attachment #2, page 6.

Rep Bellew: What is the age of the youth in the TIP program?

Gotvaslee: It is for ages 14 through 25 with the majority being over the age of 18.

Rep Holman: If someone was under 18, would they be put in foster care?

Gotvaslee: If the situation would require foster care, they would be placed there. However this program is also used to assist to meet their needs without removing custody from the parents.

Rep Kreidt: Is the increase in outpatient in Stanley due to the increase of individuals moving into that community?

Gotvaslee: The increase is due to the children of the people moving in that are having trouble adjusting.

Chairman: What caused the Transitional Living program to close?

Gotvaslee: We were notified mid-2012 of Trinity's intent to sell the building so our case managers began finding other living arrangements for the clients. We made the staff from the Transitional Living program into case aides.

Gotvaslee went over the organization chart for NCHSC (1:19:24) - Attachment #5.

Chairman: What is the turnover rate for NCHSC?

Wultschick: In 2011 it was 7.92% and in 2012 it was 20.45%.

Rep Nelson: How many clients are in the TIP program for the North Central district and Northwest district?

Gotvaslee: There are 20 clients and there is a waiting list in North Central. There are 8 in the Northwest.

Rep Nelson: Is there any flexibility between the human service centers to adjust money from the $40,000 budget for each since North Central has 2.5 times the clients?

Gotvaslee: Yes.

Rep Nelson: Is that ability just between your two centers or between all of the centers?

Gotvaslee: All of the centers.

Rep Nelson: Explain the $500 housing allowance. Are you anticipating $500 salary adjustments for each of the 120 FTEs? Or just those who live in Minot and west?

Gotvaslee: It is for all of the staff.

Wultschick: The guidelines for this include meeting performance standards. It is for employees living in Minot and surrounding areas to include smaller communities.

Rep Bellew: Do the Older Adult Services employees check on what the county is doing?

Gotvaslee: The Aging Services and Child Welfare oversee the programs implemented by the county. The state sets up the rules. The county implements the programs. The Human Service Center Aging Services and Child Welfare departments are there for technical assistance for the counties. They ensure the agencies are doing what is needed. Aging Services also does the adult protection services assessments.

DeVier detailed the budget for NCHSC (1:35:07) - Attachment #6.

Rep Weiland: Explain Kay's Place.

Gotvaslee: Kay's Place is a 7 bed group home for adolescent females in Minot. It is a one-story ranch-style house with a full basement. It is a home environment for females in foster care. Some of the services available are pre-natal care and parenting training for pregnant girls. They can come to the center for addiction counseling or therapy, if needed.

Rep Bellew: Does the monthly rent for Kay's Place include utilities?

DeVier: No.

Chairman: Explain the Sex Offender Services grant summary.

Gotvaslee: It is a contract to provide court-ordered treatment to level 1 and 2 sex offenders. There are 2 groups with approximately 15 people in each group.

Kate Kenna, Director of the Lake Region Human Service Center (LRHSC) and Northeast Human Service Center (NEHSC) for the DHS read her testimony (1:59:17) - Attachment #7.

Chairman: Has Lake Region ever had a transitional living facility?

Kenna: No. We have advocated for it and this is the first time it has been in our budget.

Rep Nelson: Would any of these beds be used as transfers from another facility in the state?

Kenna: No. We tend to serve individuals from our own region.

Rep Bellew: How many people would it take to run an 8 bed transitional living home?

Kenna: At least 2 staff for each shift, so 5 per day and with the weekends, probably 8.

Chairman: If the transitional living center is adopted in the budget, will you need an increase in staff?

Kenna: We are hoping for a private provider who would be interested in running it. Other TL facilities across the state include rent and staff.

Rep Nelson: Will this be contracted in Devil's Lake? Will you send out RFPs? Would areas outside of Devil's Lake have a chance to use facilities available in the region?

Kenna: We don't have any preconceived plans on how we would do it. It will depend on who will put proposals forward. The people who would be in the TL facility have quite intensive needs and it would be important for them to be near case management and services.

Chairman: Where did these individuals get treatment before?

Kenna: They are involved in services. The State Hospital has a temporary TL facility. They may be in our CRUs. Some may be homeless.

Rep Weiland: Are the federal funds increasing due to Native American participation in human services?

Kenna: Yes, it is. Many of our consumers are Native Americans.

Rep Nelson: What is the turnover rate?

Schweitzer: We have a handout for all of the Human Service Centers (attachment #8).

Rep Kreidt: Are there a lot of individuals retiring?

Kenna: We had three retirements in Lake Region this past year.

Rep Nelson: How many clients are in the TIP program?

Kenna: There are 9 people in the TIP program in Devil's Lake.

Rep Nelson: Is there a waiting list? Or people who could use those services?

Kenna: No, we seem to be meeting the need at this time.

DeVier covered budget overview (2:35:08) - Attachment #9.

Rep Bellew: Why are you asking for an increase in temporary salaries?

DeVier: We have a psychiatrist contractor that has become a temporary employee due to IRS regulations.

Rep Weiland: What is your insurance for?

DeVier: Our center is located 22 feet below the level of the lake so we carry flood insurance on the contents.

Chairman: Explain Equipment Over $5000.

DeVier: We replaced our large copier one biennium and replaced the two smaller ones during the next biennium. They are on a four year rotation.

Rep Bellew: Explain the Spirit Lake Tribe.

DeVier: These funds are used to help pay an addiction counselor.

Rep Bellew: Is this counselor on the reservation?

DeVier: The counselor is employed by them; we just help fund the position.

Rep Weiland: Does the addiction counselor work only with Native Americans?

DeVier: Yes.

Chairman: Is the 8 bed transitional center included in the Residential Services?

DeVier: The CD Residential includes a residential unit in Rolla, part of the residential unit in Devil's Lake, and a little over $100,000 to Turtle Mountain for their small program. The SMI Residential is for the mentally ill people in the Devil's Lake Crisis Residential Unit. The $729,740 is for the transitional living facility.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/28/2013PM
JOB 17855

☐ Conference Committee

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Minutes: Testimony 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13

Alex Schweitzer, Director of Institutions & Humans Service Centers - handed out caseload comparison for the Human Service Centers for FY 2008-2012 - Attachment #1 (00:13) .

Marcie Wultschick, Human Resources Director DHS - handed out the following (00:15):
- Turnover History 2006-2012 - Attachment #2
- Turnover History for the Human Service Center 2006-2012 - Attachment #3
- DHS - Oil Patch Add - on Pay dated April 17, 2012 - Attachment #4

Kate Kenna, Director of the Lake Region Human Service Center (LRHSC) and northeast Human Service Center (NEHSC) for DHS read her overview testimony of NEHSC (02:44). - Attachment # 5 -pgs. 8-11

Kenna continued her testimony with the Overview of Budget (08:25) - Attachment #5 pg. 12

Kenna concluded her overview testimony (14:30).

Lynn Bingham, Business Manager, NEHSC - presented the committee with detail for NEHSC (14:39). Attachment #7

Rep Weiland: Can we get organizational charts for Lake Region and Southeast?

Chairman: Can you go over this?

Kenna reviews the organizational chart for Lake Region (17:23) - Attachment #8

Kenna: Foster Grandparents are low income individuals over the age of 60, who receive a small stipend to work in daycares or head start programs.

Chairman: In DD services, do you check group homes for regulatory oversight? Are the homes inspected?

Kenna: Our DD staff is primarily program managers who ensure that individuals get the right programming for them. They work with the schools, group homes and families to make sure that they individual needs are being met.

Chairman: Lynn, are your leasing agreements steady?

Bingham: Yes.

Rep Weiland: Why is this the only region that has parking spaces provided?

Kenna: Northeast is in the heart of downtown Grand Forks. Parking is at a premium. We need somewhere for the state fleet of cars to be parked.

Bingham: DOT requires the vehicles to be plugged in winter months. We have 21 slots for our state vehicles in the parking ramp.

Bingham explained the grants summary (27:10) - Attachment #7 pg. 3 - 4.

Chairman: Why is there a reduction in general funds and an increase in federal in crisis care and safe beds?

Bingham: Funding shifts among the different programs.

Chairman: Did the Social Detox program not get funded this biennium?

Kenna: That is correct.

Chairman: Is the program discontinued?

Kenna: That is correct.

Bingham: (continues discussing the Grants Summary)

Chairman: If your grants stay steady, are your caseloads increasing or decreasing? Are you serving less dollars per person?

Bingham: It is counted by number of bed days per month that are occupied. The daily bed count varies.

Chairman: At the caseload comparison for Northeast, it dropped from 2011.

Kenna: I believe there was a drop. The amount of services people need has increased.

Rep Bellew: Is there a bed tax or provider tax on the contracts?

Bingham: No. We don't have any of the DD facilities on our list. Ours are only for individuals with mental illness or chemical dependency issues.

Jeff Stenseth, Director of Southeast (SEHSC) and South Central Human Services Center (SCHSC) presented to the committee and organizational chart for SEHSC (39:26) - Attachment #9

Rep Bellew: How does DWAC differ from day support in the DD providers?

Stenseth: The DWAC program is a business. The individuals that are there are employees of that business doing minimum wage contracts and community based work, including janitorial.

Rep Bellew: Explain 185.15 FTE.

Stenseth: Sometimes FTEs get reduced.

James Gebhardt, Fiscal Manager of South Central (SCHSC) and Southeast Human Services Center (SEHSC): We had a child psychologist that worked eight-tenths time. The other 20% was open. Or someone will work nine-tenths of the time. At any time, we may have a tenth or a 0.15 vacant.

Stenseth: Read his testimony (42:48) - Attachment # 10

Rep Nelson: Have the changes we made in reimbursement to Prairie St. John during the last session helped you access more services?

Stenseth: Yes. We have established a much stronger working relationship with Prairie St. John. It has benefitted both parties.

Rep Nelson: Are you able to get more of your clients in the services they offer?

Stenseth: Yes.

Stenseth began his overview of Budget Changes (51:08) - SEHSC

Rep Bellew: Will you find the four temps that you want to convert to FTEs in your authorized FTEs?

Stenseth: Those would be looked for within both the agency and department.

Rep Weiland: Are the two FTEs that you're going to utilize currently unfunded?

Stenseth: Are you referring to the Developmental Disabilities?

Rep Weiland: Yes.

Gebhardt: We need two FTEs to maintain our client to staff ratio for the DD system. They are not funded right now. We anticipate the growth in our DD system.

Rep Weiland: Do you have the FTEs? The statement says that the 2 FTEs must be found within the current authorized FTEs.

Gebhardt: If we cannot find the FTEs, we would have to use temporary employees.

Rep Weiland: It says you must find them within your current authorized FTEs. If you don't have them, then you're adding additional FTEs.

Gebhardt: No, we're not.

Lori Laschkewitsch: We underfund the FTEs in their budget. They may also have FTEs that are federally funded in a different grant program. The Governor's recommendation was to find a FTE that wasn't being utilized somewhere in the department due to underfunding or from a different funding source.

Rep Weiland: Do you have the authorization to transfer people from admin support or from children and family services to the SEHSC?

Lori: That is correct.

Rep Bellew: If you borrowed two FTEs from the developmental center, wouldn't their salary come with them? Would there be a decrease in salary at the developmental center and an increase here?

Lori: Those could be FTE that were underfunded or someone working under a federal grant program, which would be federal dollars that couldn't be used for this program.

Chairman: Will we see a big increase in caseloads in the Southeast as justification of the $1.7 million general funds that you're asking for? Or will the same people be using multiple services?

Stenseth: We're preparing to serve more people. We're moving away from a one-time service to serving a population that requires multiple service lines. In the past year, we provided 36% of the billable case management service in the state.

Rep Weiland: In reference to the required staff to client ratio, what is the maximum on DD case management? What are you doing?

Stenseth: The ratio is 60 to 1. We've been growing at about 60 per year.

Rep Weiland: Your overall staff to client ratio is 26.73 to 1. Are you top heavy somewhere?

Stenseth: We have a client base that requires intensive service.

Rep Weiland: To get federal matches, are you required to have a staff to client ration of 60 to 1.

Stenseth: Yes

Rep Weiland: Alex, will you further explain?

Schweitzer: In response to the last question about the 185, there are 27 administrative support that don't provide clinical services. Yes. There are federal requirements of 60 individuals to 1 staff member. We're not there now, but built some flexibility into the budget.

Stenseth continued his testimony (1:09:22) on pg. 7

Rep Bellew: You stated an increase of $221,000 to continue our 15 bed short term. Was that started last session?

Stenseth: Yes.

Gebhardt: It was approved during the last biennium. At the time, we only estimated what it might cost. Once we put the RFPs out for that program and awarded the program, we didn't have enough money to run it because we found that all of our adult CD programs are running at 95% occupancy.

Rep Bellew: Did you do this program last time?

Gebhardt: We're doing it right now.

Chairman: Did you find the funds for the 15 bed short term within the budget?

Gebhardt: No, we asked for an increase.

Chairman: Did you need the increased funding in the 11-13 budget? Or is it because you're building it up?

Gebhardt: We're building it up. We need it for the next biennium.

Gebhardt (1:16:15) - Attachment #11

Rep Bellew: The salaries are very significant for temporary employees. It's approximately $26,000 each.

Gebhardt: Yes.

Rep Bellew: How temporary? $26,000 seems like more than temporary.

Gebhardt: We need temporary because we have a demand for services. It's mostly in the area of medical services and MI case management.

Chairman: Is it correct that miscellaneous supplies was coded wrong and should be $40,000 less?

Gebhardt: Correct

Chairman: Has your square footage stayed the same?

Gebhardt: Yes. Southeast is the only human service center that owns its building. The rentals are small office spaces for some of our programs.

Chairman: When did the state buy the Southeast Human Service Center?

Gebhardt: The bonding bill was passed in the 1991 session. The bond was paid off and the building was paid for 6 years ago.

Chairman: I would like to have a discussion on the 15 bed transitional living center, when we get to that section.

Rep Bellew: What is Wrap Around?

Gebhardt: It is a service we provide to keep families from being evicted from their home and keep children from going into foster care. It also covers phone and utility bills. We mostly see it in DD and SMI.

Chairman: What is covered under the West Fargo Public Schools?

Gebhardt: We have a contract with them and pay half of the salary for two partnership care coordinators that are based at the West Fargo Public Schools.

Rep Bellew: What do they do?

Stenseth: Those two staff are trained in Wrap Around service so they are fulfilling partnership care coordination. The school identifies potential kids that are at risk and they are on site to connect with them.

Rep Nelson: Do you offer the same service with the Fargo schools?

Stenseth: No, we don't have any contracts with the Fargo Public Schools.

Rep Nelson: Wouldn't they have the same issues? Is this a pilot program?

Gebhardt: We have three partnership care coordinators that are our staff that are based at three of the Fargo Public Schools.

Chairman: Is the 15 bed CD facility the one we did in the 11-13 biennium?

Gebhardt: Correct

Chairman: What is the difference between what we did in 11-13 and what you are proposing here?

Stenseth: The one approved last session was for primary addiction treatment services.

Chairman: Are you meaning alcohol and drugs?

Stenseth: Correct. The focus of the facility is to provide a sober environment and to assist individuals in maintaining their sobriety as they attend treatment and try to recover. The 15 Bed TL proposal is for individuals with serious and persistent mental illness. The focus of that facility is skills training and rehabilitation, and prepares them to live independently.

Chairman: What is the difference between SMI Crisis Beds and what you're planning here? Is it a similar population?

Stenseth: The crisis beds provide three levels of care. It provides psych stabilization, social detox, and 3.1 addiction residential. The crisis unit is focused on brief stabilization.

Chairman: What are CD Crisis Beds? Does that stand for chemical dependency?

Stenseth: The CD crisis beds and the SMI crisis beds are the crisis unit budget.

Chairman: Remind me what Cooper House is used for?

Stenseth: The Cooper House is an apartment building that is considered housing first, focusing on impacting the numbers of chronic homeless in the region. Other service are offered to them.

Chairman: What is the difference between chronic homeless and what you are proposing for the $1.3 million?

Stenseth: The Cooper House?

Chairman: The difference between Cooper House and the transitional living facility?

Stenseth: The Cooper House budget was approved just to provide the front access monitoring, but they don't provide any services in the apartments.

Rep Bellew: So Cooper House is just funding for personnel?

Stenseth: Correct.

Rep Bellew: How many personnel?

Stenseth: They provide 24/7 monitoring of the facility.

Rep Bellew: How many employees?

Stenseth: That is a contract with Dacotah Foundation so I can get that for you.

Rep Nelson: What is the increase in the Cooper House appropriations? Is that four and four? Where was that in the current budget?

Gebhardt: The only increase was with the four and four.

Chairman: What is the 8 bed CD? Is it similar to the 15 bed?

Stenseth: That is the exact same addiction level, a care 3.1. It's in the Dakota Pioneer building.

Chairman: How long has that been use?

Gebhardt: It was the 07-09 biennium.

Chairman: Do you think you will see an increase in caseloads in 13-15? Or do you have a waiting list of people waiting for the transitional center?

Stenseth: Our SMI and IDDT case managers said there was a gap for individuals that didn't have the life skills to live independently. They identified over 15 individuals in need.

Chairman: How long will they be there?

Stenseth: Twelve to eighteen months was our target.

Chairman: While they are there are they getting the alcohol and addiction treatments? Or is it a rotating bed?

Stenseth: No, it's intensive services. They would go through a functional assessment to look at what life domains they struggle with and a service plan would be created. Part of the RFP would be the staff running the facility would be able to do the skills training.

Rep Nelson: Are people from other areas of the state going to Fargo for the Cooper House? How is that being addressed?

Stenseth: It is still occurring. Some of it is because our community has so many shelter beds that other communities don't.

Rep Nelson: Does that population appear to be growing, staying the same or diminishing?

Stenseth: I don't feel it's diminishing. The shelters are over capacity.

Chairman: Was this proposed last biennium?

Stenseth: Correct.

Chairman: Where were these individuals being cared for in past biennium?

Stenseth: Right now, they are being served at the wrong levels of care.

Chairman: Is the amount of clientele with SMI or addiction growing or staying the same?

Stenseth: The trend is that the extended care SMI department and the addiction services unit are the two that are growing in our center.

Stenseth reviewed the organization chart (1:43:23) - Attachment #12

Stenseth continued his testimony (1:44:42) on Attachment #10 - page 9

Stenseth continued budget changes testimony (1:49:13) Attachment #10 - pg. 11

Chairman: There is a Senate Bill dealing with Progress. Why was Progress taken out of the South Central Human Service Center? Were there any other programs statewide on the human service centers where you took out programs like Progress?

Schweitzer: Regarding SB 2182, it was originally put in by South Central as an optional adjustment request. It was not funded in an executive budget.

Chairman: What clientele did they give employment opportunities to?

Schweitzer: It is a transitional employment service that is provided for clients of the state hospital and from South Central. Progress Enterprises is a private provider that helps individuals through transitional employment.

Gebhardt (1:56:32) reviewed Attachment #13

Rep Bellew: Explain other salaries and temporary salaries.

Gebhardt: The temporary salaries increase is for a half-time MI case manager.

Rep Bellew: What is the increase in other salaries?

Gebhardt: Other salaries are for shift differential and to pay our on-call staff.

Rep Bellew: What is Human Service Center Garage Rent?

Mark Anderson: The Human Service Center rents eight garage spaces for state fleet vehicles. They are located in an area where there was a high volume of vandalism.

Chairman: What is the Transitional Living Facility Rent? Is that level unchanged?

Gebhardt: The level is unchanged.

Chairman: Where is that located?

Russ Sunderland, Assistant Director at South Central: It's located in the northeast section of town in the Polar King area of Jamestown. It's a four apartment complex that is utilized for transitional living.

Chairman: Is the increase of $21,697 due to TIP? Is everything else is flat?

Gebhardt: Correct.

Rep Bellew: Why was the budget $97,474 but only $16,536 was spent in year 1?

Gebhardt: We removed $36,000 out of our budget.

Gebhardt continues budget testimony (2:04:40)

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/28/2013
JOB 17886

☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

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Minutes: *Testimony 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11*

Chairman Pollert called the committee to order.

Becky Keller - Senior Fiscal Analyst - LCA gave the committee the analysis of state trust funds reflecting the 2013-2015 executive budget recommendations - Testimony 1.

Shelley C Peterson, Executive Director of North Dakota Long Term Care Association - Introduced Joseph M. Lubarsky to the committee.

Rep Bellew: Does the Upper Payment Limit pertain to nursing homes only or do any of the DD providers get anything?

Shelley: No, it pertains to many providers including hospitals, in-patient, and out-patient.

Joseph M. Lubarsky, CPA of Eljay, LLC - Presented to the committee The Medicare UPL: Its Impact on Medicaid Rates in North Dakota dated 29 January, 2013 - Testimony 2.

Rep Bellew: Is there an incentive for facilities to cut costs or save? Will they be punished for not spending the money?

Joe: If the entire industry doesn't spend the money, it could affect the UPL which could affect your rate increases in the future.

Rep Bellew: So there is no incentive for the facilities to try to manage things better.

Joe: There are incentives in their payment system to maintain costs.

Rep Holman: What are the effects of spending leftover money just to reach the limit?

Joe: That cost increase goes into the UPL calculation and will help the UPL go up the following year. If a facility spends more than the rate increase, they won't recover that amount, even if they are under the cap, until the following year.

Rep Holman: What happens if excess money is not spent?

Joe: The UPL will drive down the inflation factor and will bring down costs that are used.

Greg Salwei, Administrator of the Wishek Living Center and Chairman of the Board of the North Dakota Long Term Care Association (46:17-1:09:12): I want to address some questions regarding my spending and our incentive to maintain costs. Things like increases in the electricity bill, insurance, fuel and food costs are outside of my control. We work with buyers groups to get our prices down as much as possible. We never look at a situation and say I'm going to spend that money because the state has given me x amount of money. My building was built in 1964 so there are always repairs to be done.

Chairman: Are your cost statements retrospective because you had rebasing in 2013, but your cost reports were from the end of 2010? How does the wage pass through and rebasing reflect on the direct care rate in the next year?

Greg: I need to stay below the limit or I won't recover the cost.

Chairman: Can you absorb the wage pass through in Wishek?

Greg: Yes.

Chairman: Could a facility be above the direct care rate after the wage pass through and need to fund the difference themselves?

Shelley: If you give a wage pass through on July 1, it would bump up the rates so the facilities had the cash to pay it out. It would also bump up the limits. Everyone could pass that through including those who are over the limit. The limit would still be there so they would only receive what was given for the wage pass through. The limit would increase by the wage pass through amount.

Chairman: Would your direct care rate stay the same from the cost rebasing report? Does that go up proportionately?

Shelley: It would go up. The value in a wage pass through is that the facility is given the cash up-front to pay the employees and the ceiling also increases so everyone can give it to their employees.

Rep Weiland: Is it beneficial that ND is one of only two states with equalization of rates?

Greg: It is beneficial from the standpoint of a private-pay individual because the private-pay rate is the same as the Medicaid rate. States without equalization can charge significantly higher rates to private-pay individuals.

Chairman: Do you charge a different rate if they are in a single pay room?

Greg: We can charge an additional fee if they want a private room.

Rep Weiland: Is it beneficial to the nursing home or taxpayer?

Greg: The system has worked well for us.

Chairman: In regards to the UPL for nursing facilities, how different is it for a DD provider?

Joe: The process is identical.

Tim Sauter, Director of West Central Human Service Center (WCHSC) and Badlands Human Service Center (BLHSC) for the DHS presented the Organizational Chart for WCHSC (1:12:51) - Testimony 3. Presented the overview for WCHSC (1:15:06- 1:28:54) - Testimony 4. Presented the budget for WCHSC (1:29:08) - Testimony 5.

Chairman: Explain the increase in travel.

Tim: The increase relates to the increase from $0.37 to $0.47 per mile. The utilization is decreasing.

Rep Bellew: What is the change in Temporary Salaries for? Is this person receiving benefits?

Tim: No, he is a temporary employee and doesn't receive insurance or annual leave.

Rep Bellew: What does he do? Is this for the business office?

Tim: Yes. It is a person who deals with our registrations.

Rep Bellew: Is there such a big increase in general funds for Case Aides due to FMAP?

Tim: Correct. It has to do with the inflation costs and FMAP.

Chairman: What is Partnership?

Tim: It is the program that serves children who have serious emotional disturbances.

Rep Kreidt: Is CD Acupuncture new?

Tim: We've been doing acupuncture for 6 to 8 years. It makes a difference to people who have addiction issues by reducing their craving and helps them to sleep.

Rep Kreidt: Explain Title XIX Evaluations.

Tim: For us to provide treatment to clients who are on medical assistance, they have to have an authorization by a physician. We contract with the University of North Dakota for this service.

Chairman: Explain the changes in Residential Services.

Tim: We have a need for a new 10 bed facility. People have been on the waiting list for 6 years. We only have 8 beds for long term residential.

Rep Weiland: Does this refer to the line item: MI Residential?

Tim: Yes.

Rep Weiland: Is this for the 8 bed facility and the 10?

Tim: Correct.

Rep Weiland: The new cost is approximately $770,000. This is for $2,123,000. Explain the amounts involved.

Tim: The Dacotah Foundation provides this level of service for us and this is the budget they said it would take.

Tom Klein, Fiscal Manager for WCHSC and BLHSC: It also includes a portion of an additional facility, our crisis facility. The three facilities included are the current 8 bed facility, the new 10 bed facility and a large portion of our crisis residential facility.

Chairman: Can you break it down by those three?

Tom: I will get that for you.

Chairman: How were the 10 individuals taken care of before?

Tim: They were probably either sent to the state hospital or one of our local facilities, or they may have been struggling in the community. They are not necessarily new clients.

Chairman: We have heard from other facilities that it will save clients from being in the state hospital. Does that mean the state hospital's funding should be reduced?

Alex Schweitzer: The traditional budget for the state hospital this biennium is down by $300,000. We have some chronic people at the state hospital that are only there because there is no community setting for them. These types of facilities should help that.

Rep Weiland: What else is included in the CD Residential Adult besides the 10 bed facility?

Tim: It also includes a contract with Pride Industries for a long-term facility for people with chronic addictions. We've recently moved that program from a facility with 10 beds to a complex with up to 14 beds and we are remaining cost neutral.

Tim presented the Organization Chart for BLHSC (1:52:34) - Testimony 6. Presented the overview for BLHSC (1:54:54) - Testimony 4, page 7.

Rep Weiland: Explain the facility you are in.

Tim: We are in Pulver Hall on the DSU campus. It used to be a dormitory. There are six floors and a basement. We utilized the basement and the first five floors.

Rep Weiland: Have you looked into a new facility?

Tim: We were looking for 30,000 square feet to include our VR office, which is currently located downtown. We normally serve 5% of the region's population at the center. With the projected increase in population, we looked into adding several offices.

Tim presented the budget for BLHSC (2:18:55) - Testimony 7.

Chairman: Explain Office Equipment and Furniture, item 553000.

Tim: That is for replacement of worn out desks and chairs.

Rep Bellew: Explain the Transitional Living Facility in the rentals and leases section.

Tim: Badlands has had a transitional living facility for longer than the 10 years I've been there. This facility is newer. We are entering our sixth year there.

Rep Bellew: Who runs it?

Tim: It is run by Badlands HSC.

Rep Holman: How stable are your rental rates?

Tim: There are some increases, with the largest increases at the Vocational Rehabilitation Main Office and the Supported Living Office.

Rep Holman: How secure are you in holding onto these long-term?

Tim: The one place we have risk is our Vocational Rehabilitation office. We are in the process of looking for another location for that.

Rep Bellew: What is included in Residential Adult Transportation Services? Also why are they all general funds and not federal?

Tim: That is a contract we have with Elder Care to transport clients from our residential program to the center for our day-treatment program. We previously used a per trip rate and now we are using a monthly rate.

Tom: There was some medical assistance funding that is being decreased in the next biennium.

Rep Bellew: Explain the increase in Medical Detoxification.

Tim: That increase is strictly related to utilization.

Alex Schweitzer, Director of Field Services of the Human Service Centers provided an overview of the statewide Human Service Center administration (2:30:51) - Testimony 8. Presented an Organizational Chart for the statewide HSC (2: - Testimony 9. Presented the budget for the statewide HSC (2:40:35) - Testimony 10.

Rep Bellew: Was this department in the last biennium's budget?

Alex: No

Rep Bellew: Where did the money for the 2011-2013 budget come from to fund it?

Alex: We transferred money from other parts of the department.

Rep Kreidt: Explain accounts receivable.

Mark Anderson, Lead Fiscal Manager for Field Services: I supervise the centralized billing and receivables area. The majority of our billings go to medical assistance, followed by Blue Cross Blue Shield and other commercial insurances. We contract with a collection agency to collect past due amounts from private pay accounts.

Rep Kreidt: Are you experiencing any problems with fictitious names and addresses, etc.?

Mark: No, there is no trend with that. Our fees are based on a sliding fee scale which is based on family size and income. The majority of individuals receive a discount.

Chairman: Explain Mobile On-call Crisis Services.

Alex: It is a contract with Solutions Inc. in Moorhead, MN. There is a problem in that region where individuals are being taken to the emergency room for things like behavioral or alcohol issues. This team has two case workers and a back-up clinical psychologist who makes decisions regarding treatment.

Deb McDermott, Fiscal Administration for the DHS presented the Department of Human Services Deficiency Appropriation (HB 1023) (2:48:48) - Testimony 11.

Chairman recessed the committee (2:55:48).

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012PM
1/30/2013 PM
JOB 18033

☐ Conference Committee

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Explanation or reason for introduction of bill/resolution:

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Minutes: 1,2,3,4,5,6,7,8

01:20 - 23:41

Jan Engan, Director of Aging Services - DHS

04:14

Engan, Director of Aging Services - DHS began her presentation to the committee:

1. Attachment #1 - Overview of four (4) bills she is tracking that apply to her division.
2. Attachment #2 - Flow chart, at the top of the page the current bills that apply to the that connects either Guardianship process or Adult Protective process
3. Attachment #3 - The definition of what the requirement of a guardian is.

23:57

Committee clerk Carter handed out to the committee a handout from the North Dakota Hospital Association, Critical Access Hospital and Physician Average Medicare and ND Medicaid Reimbursement if the service cost is one dollar ($1.00) - Attachment # 4

25:10 - 1:08:38

Maggie Anderson- Interim Executive Director DHS and Director of Medical Services. Provided detail of Medical Services - Attachment # 5.

37:48

Representative Bellew asked of Anderson to refresh his memory on what is Clawback?

Anderson provided the definition of what clawback and she provided the committee with the DHS Clawback Analysis - Attachment # 6.

43:10

Anderson continued her detailed testimony.

1:08:38

Anderson concluded her testimony.

1:10:12

Brendan Joyce, Pharmacist - Medical Division DHS, provided the committee with the high cost prescription drugs - Attachment # 7.

1:28:30 - 1:38:00

Maggie Anderson- Interim Executive Director DHS and Director of Medical Services provided the committee detail for Affordable Care Act Related Expenses Does Not Include Medicaid Expansion) - Attachment #8.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
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JOB 18090

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Minutes: 1,2,3,4.

1:25

Becky Keller - Senior Fiscal Analyst - LCA submitted to the committee the ND state agency and institution vacant positions as of December 12, 2012 included in the 2013-2015 Executive Budget - Attachment #1.

3:30

Maggie Anderson - Interim Executive Director DHS and Director of Medical Services presented detail on behalf of the Medical Services Division - Attachment #2.

9:46

LeeAnn Thiel, Rate Setting Administrator - Medical Services

13:18

Anderson continued her testimony page 2 - **Inpatient Hospital** 2011-2013.

The monthly average is 1,146 with the actual cost per person of $6,377.02. With actual units of service of 5,191 and the actual cost per unit $1,407.95. Actual Expenditures $7,308,469.

Monthly Averages Executive Budget 2013-2015 - Actual units of service 5,464 and actual cost per unit $1,403.37.

30:37

Thiel presented to the committee an overview of DHS, Medical Service Division - **Upper Payment Limit (UPL) Summary** dated January 29, 2013. - Attachment # 3.

Anderson continued her testimony page 3 - **Outpatient Hospital** 2011-2013.

The monthly average of actual persons receiving is 7,902 with the actual cost per person of $376.21. Actual units of service of 160,257 and the actual cost per unit $18.55. Actual Expenditures $2,972,691.

Monthly Averages Executive Budget 2013-2015 Actual units of service 158,994 and actual cost per unit $ 19.20.

42:54

Anderson continued her testimony page 4 - **Physician** 2011-2013

The monthly average of persons receiving is 22,364 the actual cost per person of $212.55. Actual units of service of 220,958 and the actual cost per unit $21.51. Actual Expenditures $4,753,567.

Monthly Averages Executive Budget 2013-2015 - Actual units of service 229,064 and actual cost per unit $21.12.

53:37

Deb McDermott- Fiscal Administration DHS explained the deficiency in the department for 2011-2013 biennium.

57:20

Anderson continued her testimony page 5 - **Drugs (Net of Rebates**) 2011-2013.

The monthly average of actual persons receiving 19,129 with the actual cost per person of $74.47. Actual units of service of 60,960 and the actual cost per unit $23.37. Actual Expenditures $ 1,424,588.

Monthly Averages Executive Budget 2013-2015 - Actual cost per unit of service 57,373 and actual expenditure $32.58.

Anderson continued her testimony page 6 - **Healthy Steps (CHIP)** 2011-2013. The actual number of premiums monthly average is 3,897 with the actual cost per person of $272.69. Actual Expenditures $ 1,062,673.

Monthly Averages Executive Budget 2013-2015 - Actual number of premiums 4,456 and actual cost per unit $311.79.

1:10:44

Anderson handed to the committee the ND DHS - **Rebasing changes of the 2009 Legislative Session** - Prepared January 2013. It outlines what the executive recommendation 09-11 biennium with the changes made by each chamber and the final for 2009-2011 biennium. - Attachment #4.

Anderson continued her testimony page 7 - **Dental Service** 2011-2013.

The actual persons receiving is 4,011 with the actual cost per person of $269.42. Actual units of service 15,709 and the actual cost per unit $68.79. Actual Expenditures $1,080,557.

Monthly Averages Executive Budget 2013-2015 - Actual units of service 16,250 and actual cost per unit $74.39.

Anderson continued her testimony page 8 - **Premiums** 2011-2013.

Actual units of service 9,000 with the actual cost per unit $105.80. Actual Expenditures $952,240

Monthly Averages Executive Budget 2013-2015 Actual units of service 9,109 and actual cost per unit $119.55.

Anderson continued her testimony page 9 - **Psychiatric Residential Treatment Facilities (PRTF)** 2011-2013.

The monthly averages of actual persons receiving is 68 with the actual cost per person of $11,864.22. Actual units of service$ 2,161 and the actual cost per unit $373.32. Actual Expenditures $ 806,767.

Monthly Averages Executive Budget 2013-2015 - Actual units of service 2,090 and actual cost per unit $399.51.

Anderson continued her testimony page 10 - **Durable Medical Equipment** 2011-2013.

The monthly average of actual persons receiving is 2,030 with the actual cost per person of $163.57. Actual units of service 188,201 and the actual cost per unit $1.76. Actual Expenditures $ 332,087

Monthly Averages Executive Budget 2013-2015 Actual units of service 182,867 and actual cost per unit $1.94.

Anderson continued her testimony page 11 - **Federally Qualified Health Centers - 2011**-2013.

The monthly average of actual persons receiving is 1,489 with the actual cost per person of $169.95. Actual units of service 2,033 and the actual cost per unit $124.50.
Actual Expenditures $ 253,090.

Monthly Averages Executive Budget 2013-2015 - Actual units of service 2,011 and actual cost per unit $164.16.

Anderson continued her testimony page 12 - **Ambulance - 2011**-2013.

The monthly average of actual persons receiving is 560 with the actual cost per person of $ 563.22. Actual units of service 20,691 and the actual cost per unit $15.23. Actual Expenditures $ 315,119.

Monthly Averages Executive Budget 2013-2015 -Actual units of service 20,579 and actual cost per unit $16.08.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
1/31/2013 PM
JOB 18111

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Minutes: 1,2,3.

00:02

Maggie Anderson- Interim Executive Director DHS and Director of Medical Services handed out the following schedules:

1. North Dakota Medicaid Analysis - RHC rates as of July 1, 2012 - Attachment **#1**
2. Community Health Center Sites in North Dakota - Attachment **#2**

11:20

Anderson, provided the committee with detail of the **Long Term Care Continuum** - Attachment **#3**.

Anderson continued her testimony page 2 - **Nursing Homes** 2011-2013.

I
The monthly average actual units of Service (Bed Days) is 98,305 with the actual cost per unit of $178.32. Actual Expenditures $17,527,594

Monthly Averages Executive Budget 2013-2015 Actual units of service 98,952 and actual cost per unit $ 211.09

Anderson continued her testimony page 3 - **Basic Care (Room & Board & Personal Care Services** 2011-2013.

The monthly average units of Service (Bed Days) is 18,747 with the actual cost per unit of $ 60.67. Actual Expenditures $ 1,137,470.

Monthly Averages Executive Budget 2013-2015 Actual units of service (Bed Days) 18,706 and actual cost per unit $ 80.81.

Anderson continued her testimony page 4 - **Personal Care Community -**2011-2013.
The monthly actual of actual persons receiving is 621 with the actual cost per person of $ 1,609.72. Actual units of service 210,766 with an actual cost per unit $ 4.74. Actual Expenditures $ 1,000,242.

Monthly Averages Executive Budget 2013-2015 Actual persons receiving 653 and actual cost per person $ 1,777.51

Anderson continued her testimony page 5 - **Targeted Case Management for Aged & Disabled -**2011-2013.

The monthly average of actual persons receiving is 471 with the actual cost per person of $133.26. Actual units of service is 509 with an actual cost per unit $123.33. Actual Expenditures $ 62,715.

Monthly Averages Executive Budget 2013-2015 Actual persons receiving 499 and actual cost per person $ 144.88

Anderson continued her testimony page 6 - **SPED (Service Payments for Elderly and Disabled -**2011-2013.

The monthly averages of actual persons receiving is 1,209 with the actual cost per person of $ 377.80. Actual units of service is 50,869 with an actual cost per unit $8.98. Actual Expenditures $ 456,788.

Monthly Averages Executive Budget 2013-2015 Actual persons receiving 1,270 and actual cost per person $ 476.81.

Anderson continued her testimony page 7 - **Ex-SPED -** 2011-2013.

The monthly average of actual persons receiving is 137 with the actual cost per person of $241.92. Actual units of service 4,451 with an actual cost per unit $7.45. Actual Expenditures $ 33,173.

Monthly Averages Executive Budget 2013-2015 - Actual persons receiving 183 and actual cost per person $ 302.54.

Anderson continued her testimony page 8 - **HCBS Waiver-** 2011-2013.

The monthly average of actual persons receiving is 301 with the actual cost per person of $1,278.58. Actual units of service 12,226 with an actual cost per unit $31.43.
Actual Expenditures $ 384,215

Monthly Averages Executive Budget 2013-2015 - Actual persons receiving 371 and actual cost per person $ 1,453.48.

Anderson continued her testimony page 9 - **Children's Medically Fragile Waiver-** 2011-2013.

The monthly average of actual persons receiving is 4 with the actual cost per person of $1,192.36. Actual units of service 9 with an actual cost per unit $480.37. Actual Expenditures $4,173.

Monthly Averages Executive Budget 2013-2015 Actual persons receiving 5 and actual cost per person $ 1,305.35.

Anderson continued her testimony page 10 - **Technology Dependent Waiver-** 2011-2013.

The monthly average of actual persons receiving is 1 with the actual cost per person of $10,954.44. Actual units of service 2,522 with an actual cost per unit $4.34. Actual Expenditures $ 10,954.

Monthly Averages Executive Budget 2013-2015 - Actual persons receiving 2 and actual cost per person $ 10,855.58.

Anderson continued her testimony page 11 - PACE **(Program of All Inclusive Care for the Elderly) -** 2011 - 2013

The monthly average actual of units receiving is 60 with the actual cost per person of $ 4,279.56. Actual Expenditures $ 258,111.

Monthly Averages Executive Budget 2013-2015 - Actual units is 89 and actual cost per unit $ 4,855.17.

Anderson continued her testimony page 12 - **Children's Hospice Waiver -** 2011 - 2013

The monthly average actual persons receiving is 1 with the actual cost per person of $ 929.00. Actual Expenditures $ 929

Monthly Averages Executive Budget 2013-2015 - Actual units receiving is 2 and actual cost per unit $ 2,569.88.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/1/2013
JOB 18135

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,2,3,4,5,6,7,8,9,10,11,12,13.

Maggie Anderson- Interim Executive Director DHS and Director of Medical Services handed out to the committee the following:

1. Fact Sheet on PACE - Attachment #1.
2. HCBS Functional & Financial Eligibility Requirements Comparison - Attachment # 2.
3. ND DHS County Jails Enrolled for Medical Claims Billing - Attachment # 3.
4. DHS Medicare/Medicaid Application Fees - Attachment # 4.
5. DHS definition of Medicare/Medicaid - Attachment # 5.
6. ND State statute 50.24.4-30 - Attachment # 6.
7. ND DHS Nursing Facilities below 90% occupancy - Attachment # 7.
8. Nursing Facilities - Rates effective January 1, 2013 - Attachment #8.
9. North Dakota Nursing Facility Rate setting - Attachment # 9.

41:42

Deb McDermott- Fiscal Administration DHS

Presented to the committee with a status statement of the Health Care Trust Fund - Attachment # 10.

48:21

Paul Kramer, Fiscal Administrator for DHS presented the committee with the following:

1. DHS 2011-2013 Oil Patch Add-on paid April 2012 thru January 2013 - Attachment #11.
2. DHS Federal Grant Match and Maintenance on Effort Requirements (MOE) - Attachment #12.

Committee Clerk Carter handed to the committee a funding related to oil and gas development activities prepared by the North Dakota Legislative Council staff dated January 2013 - Attachment #13.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/4/2013AM
JOB 18211

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,2,3,4,5,6,7,8,9,10,11,12

01:12

Representative Holman presented the committee with a written example of an ongoing program of a Community of Care - rural Cass County. Attachment # 1.

13:44

Becky Keller - Senior Fiscal Analyst - LCA. Provided the committee a supplement to the state agency vacant position report (January 2013). Attachment # 2.

18:15

Jan Engan, Director of Aging Services - DHS.

Provided the committee a clarification of the outreach program that was presented during her overview and detail of her division.

Provided the committee with schedules that were requested. - Attachment # 3.

1. Page 1. DHS-Funding for congregate and home delivered meals, nutrition incentives and state funds to providers for the past two bienniums and the 2013-2015 Executive Budget.

57:50

Lynn M. Derman, Fiscal Analyst, explained the funding for Title III. Explained the match of monies for the federal funds. She also informed the committee that the agency does not utilize in-kind match.

1:03:10

Representative Bellew asked about the **Maintenance Of Effort** (MOE) for aging grants?

1:03:44

Paul Kramer, Fiscal Administrator for DHS, explained MOE for aging grants are rolled into the aging line.

1:05:02

Engan continued her explanation of Attachment # 3.

Page 2. DHS - Allocation of funding for urban and rural.
Page 3. DHS - Calculation of funds available per meal for calendar year 2011.

Engan, provided the committee with Senior Mill/Levy Match - by county 1/1/2012-1/18/2013. This report was from the ND State Treasurer office. - Attachment # 4.

1:09:36

Committee clerk Carter handed out to the committee Fiscal Note on SB 2162- 01/15/2013 - Attachment - # 5.

1:11:52

Tina Bay, Director of Developmental Disabilities - DHS provided the committee with the schedules - Attachment # 6.

1. Page 1 - Expenditures related to Autism services within DHS.
2. Page 2 - Quality process for Development Disability Providers.
3. Page 3 - Overview of current DD payment system.
4. Page 4 - Department of Public Instruction (DPI) information regarding Anne Carlson Center.

1:29:43

Alex Schweitzer, Director of Institutions & Humans Service Centers provided the committee with an updated budget request for the **ND State Hospital - Capital Improvements**, dated 2/4/2013 - Attachment # 7.

Schweitzer, a map of the ND State Hospital reconstruction - Attachment # 8.

Schweitzer, provided an opinion of probable cost - street improvements. The estimate was provided by Interstate Engineering. - Attachment # 9.

2:03:47

Schweitzer went over the **ND Development Center - Capital Improvements** which was presented by him to the committee on January 23, 2013.

2:08:43

Schweitzer, Square footage of Human Service Center Main Office Buildings dated 1/29/2013 - Attachment # 10.

Schweitzer, West Central Human Service Center 2013-2015 Biennium Budget - Attachment # 11.

2:14:38

Marcie Wultschick, Human Resources Director DHS, provided the committee with DHS Compa Ratio Illustration. - Attachment # 12.

Wultsckick informed the committee that the Compa Ratio is the actual salary divided by the market policy point. Highlighting that 88% of DHS staff or 1933 are below market policy point and 19% of DHS staff or 408 are at the minimum or 25% behind market.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/5/2013 AM
JOB 18284

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,2,3,4,5,6

00:45

Jennifer Witham, Director of Information Technology DHS, presented to the committee the Human Services Current and Proposed IT Projects - Timelines. - Attachment # 1.

05:55

Witham, presented to the committee the cost of Human Service Eligibility Modernization Project. - Attachment # 2.

Witham advised the committee this is the revised as of February 5, 2013. With the requirements of the Affordable Care Act, Developer Rate Increase, and Management Reserve.

Witham noted that the estimates may vary depending on changes that result from Federal program changes, including reauthorization of programs.

19:21

Witham presented to the committee the Human Services Current IT Projects.- Attachment # 3.

This attachment had the timeline for Eligibility Modernization phase I end date 6/30/2013, phase II & III end date of 6/30/2013. Vocational Rehab Project end date 4/30/2014, and Medicaid Systems Project 10/1/2013.

24:20

Maggie Anderson- Interim Executive Director DHS and Director of Medical Services. Provided comment to Chairman Pollert with regard to the repayment of money from CMS.

Anderson stated that during her overview of the department testimony that she presented to the committee. She sent her testimony to CMS to insure that everything in her testimony was not misstated and they responded via email to Anderson that her testimony was accurate.

37:14

Witham continued her testimony to the committee handing out detail for - Information Technology Services as it applies to MMIS - Attachment #4. She pointed out to the committee the actual expenses as of 11/30/2013 and the amount remaining. If the state of ND decided to terminate this system the state would have to repay $ 52,214,605.00 to the federal government as of 11/30/2012.

Chairman Pollert commented that this system - MMIS costs have almost doubled since the start of the project.

47:01

Witham continued her testimony to the committee handing out detail for DHS - ITS - 2013-2015 Data Processing - Attachment # 5.

53:15

Witham presented to the committee with DHS - Estimated MMIS Enterprise and Legacy system costs - Attachment # 6.

1:04:10

Chairman Pollert requested of **Witham** to explain why we need to spend 5 million dollars for electronic medical records?

Witham stated that the old system that is in place now is antiquated and as in **Alex Schweitzer**, Director of Institutions & Humans Service Centers stated in his detail of his division budget that this is a onetime expense and if not updated could put his JACO accreditation might be at risk.

1:08:19

Deb McDermott- Fiscal Administration DHS explained that the reason why general funds are used is because it is a State Hospital/ Human Service Centers are heavily funded by general funds federal funds are not available for use. In the future we will be able to build our rates into the budget to bill more to Medicaid.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/5/2013PM
JOB 18325

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,2,3,4

02:23

Ken Purdy, **OMB- Classification and Compensation Manager**. Came in front of the committee to explain how the Hay Group - Evaluation of Classified Employee Compensation System - Final Report. This study was used in determining the state wage formula that was proposed by Governor in his executive budget.

Purdy presented to the committee a bar chart using Protection and Advocacy Project (P&A) Quartile Chart as an example and walked the committee thru the chart. - Attachment # 1.

05:36

Purdy handed out to the committee an example by using P&A current staff and how utilizing the Hay Group model would relate to salary increases and at what level. Attachment # 2.

Performance increases are contingent upon Performance Meeting Standards and are given by the supervisor. The levels are from 3-5%. If an employee meets standard the 3% level would be used. If an employee exceeds the standard the 5% level would be used.

08:22

Representative Wieland asked Purdy if he could define standards?

Purdy replied it is up to the agency to determine the standards and whether or not an employee is meeting them or not.

09:45

Representative Holman asked about the equity issue?

Purdy referred back to the - Attachment # 2 to answer the questions to the committee

Purdy explained to the committee what a C/R is. A C/R is a Compa Ratio it is a percent of the market policy point.

12:30

Chairman Pollert what is market policy point?

Purdy the market policy point was developed by the Hay Group thru the employee compensation committee.

20:22

Representative Holman asked going across the chart to further bienniums is the process going to continue?

Purdy responded exactly. This is a long term plan that will keep us on pace and hopefully moves us closer.

21:00

Purdy stated that the intention of this is to redo the market survey sometime in 2014 during the budget process.

25:15

Chairman Pollert asked who made the decision about the 2 % and 4 %.

Purdy that would be decided by the director and the supervisors who in fact will receive the percentage amount.

26:15

Representative Kreidt is it your goal once an individual reaches 100% and then the indiviual would receive a percentage increase and the performance increase would probably go to zero.

Purdy market goes to zero but performance would most often go with the standard structured adjustment.

27:26

Representative Kreidt at that point then it would be in the range of 3-5 % depending on their ability.

Purdy and those percentages may vary in the biennium or year to year depending on how we go thru budget process.

27:53

Purdy informed the committee that the 3-5 % is not absolute it is up to the division. Add 3 + 5 = 8 divided by 2 = 4 which is the basis of the budget. I say it that way because I don't want any entitlement to be tied to 4%.

Purdy stated that the benefit package to the employee is not part of the market policy position increase or the performance increase. Hay group found that the benefit package was overall at market.

Purdy stated a supervisor has the flexibility to award a 0% for performance increase.

53:56

Tammy Dolan, OMB Fiscal Analyst

Informed the committee that there are three (3) agencies that are not classified employees and have additional equity built in their respective budgets. The Judicial has 1.3 million dollars, Attorney General has 567,000 dollars and of that 85,000 is general fund dollars, Legislative Council has 100,000 dollars.

55:39

Purdy handed out to the committee an example by using DHS - 2012 -2014 current staff and how utilizing the Hay Group model would relate to salary increases and at what level. - Attachment # 3.

59:19

Purdy presented to the committee the Insurance Department- 2012 - 2014 Quartile Charts. - Attachment # 4.

1:02:03

Representative Nelson asked of Purdy what would be a compromise position on the proposed increases?

Purdy stated that was a subject of considerable of discussion in the development of the budget. This is the one that was sent to the governor's office and this is what was decided on.

1:14:01

Tammy Dolan, OMB Fiscal Analyst informed the committee that there was no funding for statewide salary equity in the current biennium - Attorney General Office, a forensic scientist position in the crime lab for 125,000 dollars, Department of Transportation received special fund authority for 600,000 dollars and Mineral resource division of Industrial commission 502,000 dollars.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/6/2013
JOB 18363

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,2,3,4,5,6,7,8,9,10,11

00:33

Teresa Larsen, **Executive Director, Protection and Advocacy Project (P&A)** presented to the committee additional detail with regard to HB 1014. She passed out an example of the Disabilities Advocate Performance Appraisal - Attachment # 1.

Larsen brought to the committee to further explain on how her division conducts appraisal scores.

Larsen presented to the committee what the performance standards for a disabilities advocate - ND Protection & Advocacy Project - Attachment #2.

Larsen stated that the performance standards were put together with the input from the disabilities advocates.

Larsen presented to the committee a schedule on staff positions that breaks down the amount of state and federal dollars - Attachment # 3.

17:18 - 21:30

Chairman Pollert asked of Larsen if the executive budget projected salary increase is approved by the legislature and if you lose federal grant match, then would it be a fair assumption that your division would serve less people?

22:27

Larsen presented to the committee detail of her division operating budget for 2013-2015 and it is broke down by federal and state funds - Attachment # 4.

29:30

Committee clerk Carter passed out to the committee written testimony by Larry Bernhardt, Catholic Charities North Dakota in support of the "oil patch add - on for Cost of Living" - Attachment # 5.

31:32

Deb McDermott- Fiscal Administration DHS, to the committee a detail schedule from DHS - based on the 2013-2015 Executive Budget recommendation with the provider inflator(s) - Attachment # 6.

34:11

McDermott presented to the committee a schedule that DHS prepared based on the Executive Budget Recommendation of .50 at 4/4% inflation Compared to Other Wage Scenarios. Nursing facilities, Basic Care, QSP's and DD providers for the 2013-2015 biennium, Comparison of the Executive Budget Recommendation and the Change in Cost of Requested Scenarios. Nursing facilities, Basic Care, QSP's and DD providers for the 2013-2015 biennium - Attachment #7 and Attachment # 8 respectfully.

45:16

Representative Holman asked of McDermott who are the winners and losers on this schedule?

McDermott if the wage pass-thru goes into effect in the past when the increase is granted it would go to increase the direct care workers. If the inflation is adopted then that money would go to the agency/facility and could be used for wages or indirect costs of that agency /facility.

50:51

McDermott responded to the committee that if $1.00/4x4 that would mean that in general funds the total would be 29,729,675 for one year, the total for the biennium of **additional** funds would be 55,197,892.

McDermott continued to direct the committee if you utilize the comparison (Attachment #8) upper left box .50 per hour increase with 4/4, getting to the $1.00 just double the total.

56:17

Maggie Anderson- Interim Executive Director DHS and Director of Medical Service Division presented to the committee and updated schedule from DHS of Affordable Care Act related Expenses (Does Not Include Medicaid Expansion) - Attachment # 9

Anderson stated that due to the testimony given by Jennifer Witham, Director of Information Technology DHS on 2/5/2013 the costs to these expenses have gone up. She requested that the committee replace this new schedule and throw away the old one.

57:36

Anderson presented to the committee ND DHS Medical Services Division- Updated Budget Need: Nursing Home Beds and Medicare Part D Clawback dated February 5, 2013. - Attachment # 10.

Anderson stated based on information received from the Shelly Peterson, Executive Director of the ND Long-Term Care Association on February 1, we understand those beds will not become operational until after July 1, 2015.

Anderson stated as we recalculated the Fargo-area beds, we also reviewed the most current utilization for nursing homes beds which shows an increase of 4 beds over the level used when the budget was built. Therefore, the Department has recalculated the budget authority needed for Nursing Home expenditures for the 2013-2015 biennium.

Anderson stated the Department has updated this trend based on the Clawback invoices received from June through January. The new trend shows that we can expect an average monthly caseload of 10,780 for the 2013-2015 biennium. The recalculated estimate of the budget authority needed for the Clawback payment for the 2013-2015 biennium was illustrated at the bottom of - Attachment # 10.

1:01:07 - 1:06:01

LeeAnn Thiel, Department of Human Services-Medical Services presented to the committee a schedule of Cost to Continue Nursing Facility Property Limits dated February 4, 2013 - Attachment # 11.

Thiel stated that the nursing facility property limits are adjust annually on July 1 by the increase, if any in the consumer price index for all urban consumers, for the 12 month period ending May 31.

In the middle of attachment # 11- is a chart of nursing facility property limits from July 1, 2006 thru July 1, 2012.

1:11:05

Chairman Pollert put the committee into recess until call from the chair.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
2/15/2013
JOB 19032

☐ Conference Committee

Committee Clerk Signature	

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Minutes: 1,2,3.

Chairman Pollert called the committee back in to session.

04:25

Chairman Pollert presented the amendments from his side of the aisle on this bill.

Utilizing the Department of Human Service OARs for the 2013-2015 Biennium as of December 5, 2012 - Attachment #1.

1. Row 2 - Previously Eligible "Woodwork Effect" asked for the amendment to that line buy a reduction of 50%.
2. Row 4 - Oil Patch Add-on for Staff of the Williston, Minot and Dickinson regions asked for an amendment to pull this in its entirety from the budget.
3. Row 13 - 16 Unit Transitional Living Facility SEHSC asked for an amendment to remove this in its entirety from the budget.
4. Row 18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHHSC asked for an amendment to remove this in its entirety from the budget.
5. Row 26 - Field Services Electronic Health Records System Replacement (SITAC #3) asked for an amendment to remove this in its entirety from the budget.
6. Row 32 - Post Adoption Services asked for an amendment to remove this in its entirety from the budget.
7. Row 33 - Peer Support asked for an amendment to remove this in its entirety from the budget.

8. Row 35 and Row 36 - Demolish Refectory Building - Developmental Center/Demolish Pleasant View Building - Developmental Center respectfully asked for an amendment to remove 140,000 totals from those budgets. So the total for those two rows would equal a total of 220,000.

9. In reference to SECTION **3. APPROPRIATION - AUTHORIZATION - DEPARTMENT OF HUMAN SERVICES.** In addition to the amounts appropriated to the department of human services in section 1 of this Act, there is appropriated any additional federal funds from the Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152], to implement the provisions for the Medicaid expansion. All federal funds received for the Medicaid expansion are hereby appropriated to the department of human services for the biennium beginning July 1, 2013, and June 30, 2015.

10. **Chairman Pollert** asked for an amendment to remove this in its entirety from HB 1012.

11. **Chairman Pollert** stated that HB 1362 will be coming to the floor for a vote and that will determine the Medicaid expansion.

12. In the Department of Human Service administration budget asked for an amendment to remove from the position of deputy director from admin support.
13. In the DHS reduce all operating costs by 750,000 general fund dollars, except for the state hospital, developmental center and Human Service Centers.
14. The committee received a memo from DHS dated February 5, 2013 request an amendment add in 248,265 in the Clawback.

15. In the DHS request an amendment to pull the operating fees to for the long term study.

14:46

Representative Nelson requested an amendment to provide a grant of 200,000 to Annie's House to implement statewide an adaptive ski program for people with disabilities.

15:42

16. **Chairman Pollert** requested from the operating fees of medical services remove the money for professional medical expert review.
17. **Chairman Pollert** requested an amendment to remove program integrating services reference in the operating fees pg. 3 in the detail of medical services.
18. **Chairman Pollert** requested an amendment to remove the provider screening contract reference in the operating fees in the detail of medical services.
19. **Chairman Pollert** requested an amendment to remove that the mileage differential oversight reference in the operating fees in the detail of medical services.
20. **Chairman Pollert** requested an amendment to reduce the medical services caseload the overall caseload 2.209 million in medical services.

19:48

Representative Nelson expounded in reference to the 2.209 million is the reduction numbers are in the following programs:

1. CHIPS - 1 million 300,000 in caseload as well as $315,000 in premiums.
2. Durable Medical - $ 30,000
3. Private duty nurse - $ 64,000
4. Transportation - $ 500,000

21:31

21. **Chairman Pollert** requested an amendment to reduce long term by 7 million.
22. **Chairman Pollert** requested an amendment to increase of basic personal allowance to $100.00
23. **Chairman Pollert** requested an amendment that all basic personal allowance be adjusted utilizing a CPI inflator.

24. Chairman Pollert requested an amendment that the under DHS of a reduction of 1 million dollars in the community based services waiver and a reduction of $ 145,000 in the Expend.

25. Chairman Pollert requested an amendment to transfer IGT funds and general fund from the governor's executive budget switch bed away program $ 546,786 switch to IGT funds. This is actually the healthcare trust.

26. Chairman Pollert requested an amendment that all intermediate care facility providers must submit all facility construction or remodels proposals to the DHS prior to enactment of the project. All proposals must be approved by the DHS.

27. Chairman Pollert requested an amendment under DD reduce the caseload utilization by 1.1.5 m this is derived by utilizing the following ICF adult 3 beds, MSLA reduce 6 clients, infant development $350,000.

28. Chairman Pollert requested an amendment under personal care needs to keep at 85 and install a CPI inflator.

29. Chairman Pollert requested an amendment on the green sheet # 19 - pg. 4 under guardianship remove the 1 million dollars.

30. Chairman Pollert requested an amendment under the mental health grants remove $ 100,000 of governor's advisory council.

31. Chairman Pollert requested an amendment to remove all tip under the Human Service Centers.

32. Chairman Pollert requested an amendment for a reduction of 1 million dollars either thru operating expense or FTE.

33. Chairman Pollert requested an amendment for the state hospital for a reduction $350,000 operating expenses.

34. Chairman Pollert requested an amendment for the state hospital of $75,000 for the removal of the water temperature controls in the LaHoug building.

35. Chairman Pollert requested an amendment for the developmental center to reduce the operating costs by $150,000.

36. Chairman Pollert requested an amendment for a legislative study on DD center in Grafton.

39:22

Representative Kreidt presented to the committee of a proposed amendment to HB 1012 - Attachment #2.

Representative Kreidt explained that the amendment is a grant to assisted living center(s) in the sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to assisted living center that accepts low-income tenants for an expansion project. This funding may not be spent for any other purpose and must be a part of the department's unspent appropriation authority if the expansion project has not begun by July 1, 2015.

Chairman Pollert asked of Representative Kreidt to be prepared to speak to this amendment when it comes in front of the committee.

40:41

Chairman Pollert asked of Representative Wieland to further explain the amendment of $150,000 for the Devils Lake Social Services

Representative Wieland responded that it covers a county that does not have a reservation on it but is adjacent to the reservation and they have incurred additional costs related to that reservation. This is already in statue. This amendment is to add funding for grants to a county social service board that in not on a reservation but is experiencing an increase in caseload by that reservation.

42:41

Chairman Pollert asked if anyone else wanted to bring forward any amendments for discussion.

Chairman Pollert called on Representative Holman

42:44

Representative Holman said that he will be putting forward an amendment to add funding to increase nursing facility, basic care, DD and QSP provider wage pass-through increase from 50 cents to $1.00.

Representative Holman said that he will be asking for an amendment to add funding for the Healthy Families program. This would be an additional funding of $500,000.

Chairman Pollert asked of Representative Holman if it was his intention to add 500,000 to the executive budget - green sheet dated January 11, 2013 - Department of Human Services - page 5 line 24.

Representative Holman acknowledged and stated that yes that line item would then be $1,250,000.

48:10

Representative Holman stated that he will be asking for an amendment to increase the older blind program in the amount of $150,000.

Representative Holman stated that will be asking for an amendment with regard to nursing home rates and nonallowable cost and allowable cost - Attachment # 3 Para 8.

Representative Holman stated that he will be asking for an amendment utilizing the Department of Human Service OARs for the 2013-2015 Biennium as of December 5, 2012. Specifically line #9 - Employment Benefits Planning.

52:42

Chairman Pollert asked the committee if they have any other amendments to bring forward.

53:04

Chairman Pollert the plan of the chair.

58:08

Chairman Pollert put committee into recess.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB1012
2/18/2013PM
JOB 19143

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

1. And 49 roll call vote sheets.

Chairman Pollert called the committee to order.

01:42

Chairman Pollert called on Becky Keller - Senior Fiscal Analyst - LCA, OMB Bill 1015 to explain the wage package.

Keller responded to the chair that for this particular agency there is two additional adjustments that will be made. First is to correct an error that was made in the executive compensation package adding some funding for the second year to make way for the unclassified employees, the second thing that was done was adjust the states employees salary and benefit package to reduce to an average of 3/3.

Keller provided additional information regarding the document prepared by the Legislative Council staff for House Appropriations - dated February 18, 2013, 2012-2015 Biennium Department of Human Services Budget, Summary of Proposed House Changes - Attachment # 1.

06:20

Chairman Pollert directed the committee to start on page 2 of - Attachment #1.

1. Removes deputy director position - Deb McDermott- Fiscal Administration DHS changed the funding sources a little. Representative Bellew asked for this

amendment. He stated that it is his intent to remove the funding and FTE for this position.

08:23

Roll call vote taken # 1 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

09:03

2. Removes funding for allowances to employees in areas affected by oil development.

10:48

Roll call vote taken # 2 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

11:11

3. Decreases funding for operating.

11:39

Roll call vote taken #3 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

11:59

4. Removes funding for field services electronic health records system replacement

14:00

Roll call vote taken #4 - 4 yeas, 2 nays, 0 absent. Adopt Amendment.

14:25

5. Changes line item for expenditures that should be in operating but are in capital assets.

Roll call vote taken #5 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

17:13

Chairman Pollert advised the committee that we are moving to page 3 of - Attachment #1.

6. Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage. This is the wood work effect.

Roll call vote #6 taken 5 yeas, 1 nay, 0 absent. Adopt Amendment.

19:24

7. Removes funding for study on long term care services.

Roll call vote taken # 7 - 2 yeas, 4 nays, 0 absent. Adopt Amendment.

21:33

8. Removes funding for professional medical expert reviews of medical records and prior authorization.

Roll call vote taken #8 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

23:13

9. Removes funding for program integrity services.

Roll call vote taken #9 - 5 yeas, 1 nay, 0 absent. Adopt Amendment.

23:57

10. Removes funding for a contract with a vendor to conduct prescreening of potential providers.

Roll call vote taken #10 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

24:44

11. Removes funding for oversight for qualified service provider mileage differential.

Roll call vote taken #11 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

26:36

12. Reduces overall caseload projections for medical services as follows: CHIP - #1.3 million, Premium - $ 315,000, Durable medical equipment - $30,000, Private duty nurses - $64,000, Transportation - $500,000

Roll call vote taken #12 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

27:21

13. Adds funding for clawback payments for Medicare Part D.

Roll call vote taken #13 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

28:11

14. Adds funding for inflation for personal needs allowance. The allowance rates for nursing facilities, SSI, and PRTF will be $65 on October 1, 2013, $67.60 on January 1, 2014, and $70.30 on January 1, 2015. The allowance rates for Basic Care and ICF/ID will be $85 on October 1, 2013, $88.40 on January 1, 2014, and $91.94 on January 1, 2015.

Chairman Pollert ruled that the committee will not vote on this because it doesn't meet the intent of the recommended amendment.

47:01

15. Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280).

Roll call vote taken #15 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

48:18

16. Reduces long term care caseload projections as follows: nursing homes (50% of 76 beds) - $5,855,000, HSBS waiver - $ 1 million, Expanded SPED - $ 145,000.

Roll call vote taken # 16 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

54:40

17. Reduces developmental disabilities caseload projections.

Roll call vote taken # 17 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

55:22

18. Adds funding for grant for adaptive skiing.

Roll call vote taken #18 and page17 Para 6 - 6 yea, 0 nay, 0 absent. Adopt Amendment.

1:02:30

19. Changes funding from the health care trust fund for a grant for an expansion for an assisted living facility that accepts low income tenants.

Roll call vote taken # 19 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

1:05:48

20. Provides funding from the health care trust fund for a grant for an expansion for an assisted living facility that accepts low income tenants.

Roll call vote taken # 20 and page 17 Para 4 -

1:15:01

Chairman Pollert advised the committee to page 4 of - Attachment #1.

21. Adds funding to increase nursing facility, basic care, and DD and QSP provider wage pass-through increase from 50 cents to $1.

Roll call vote taken # 21- 1 yea, 5 nays, and 0 absent. Amendment failed.

1:16:56

22. Reduces funding for guardianship services

Roll call vote taken # 22 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:22:31

23. Removes funding for post adoption services.

Roll call vote taken # 23 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:25:19

24. Adds funding for the Healthy Families program to provide a total of $1,250,000.

Roll call vote taken # 24 - 2 yeas, 4 nays, 0 absent. Amendment failed.

1:27:18

25. Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake.

Roll call vote taken # 25 and page 17 - Para 5 - 6 yea, 0 nays, 0 absent. Adopt amendment.

1:37:48

26. Removes funding for grants to be provided by the Governor's Prevention Advisory Council.

Roll call vote taken # 26 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:38:57

27. Removes peer support funding from all regions.

Roll call vote taken # 27 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:40:20

28. Adds funding for a statewide system of employment benefit planning services for all clients.

Roll call vote taken # 28 - 1 yea, 5 nays, and 0 absent. Amendment failed.

1:42:22

29. Provides funding for the older blind program.

Representative Holman brought this amendment to the committee and stated that he is willing to decrease the amount indicated to $50,000. This is general fund dollars.

Roll call taken # 29 - 6 yeas, 0 nays, 0 absent. Adopt as amended by Representative Holman.

1:45:41

Chairman Pollert advised the committee to page 5 - Attachment #1.

30. Reduce funding for operating.

Roll call taken # 30 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:47:04

31. Removes funding for water temperature controls for shower rooms in LaHaug building.

Roll call taken # 31 - 4 yeas, 2 nays, 0 absent. Adopt Amendment.

1:51:11

Chairman Pollert advised the committee to page 6 - Attachment #1.

32. Decreases funding for demolition of Pleasant View and Refectory buildings to provide for a total of $220,000.

Chairman Pollert asked for intent language to reflect that both buildings be torn down for a total of $ 220,000.

Roll call taken # 32 - 6 yeas, 0 nays, 0 absent. Adopt Amendment.

1:54:44

33. Decreases funding for operating expenses.

Roll call taken # 33 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:55:25

Chairman Pollert advised the committee to page 7 - Attachment #1.

34. Reduces operating for all Human Service Centers.

Roll call taken # 34 - 5 yeas, 1 nay, and 0 absent. Adopt Amendment.

1:57:14

Chairman Pollert informed the committee that it is his intent to vote for the reduction of funding of all transition to independence program (TIP) for all Human Service Centers.

35. Page 8 - Attachment # 1.

36. Page 9 - Attachment # 1.

37. Page 10 - Attachment # 1.

38. Page 11 - Attachment # 1.

39. Page 12 - Attachment #1.

40. Page 13 - Attachment #1.

41. Page 14 - Attachment #1.

42. Page 15 - Attachment #1.

Roll call vote was taken on # 35, #36, #37, # 38, #39, #40, #41, and #42 - 5 yeas, 1 nay, 0 absent. Adopt amendment.

1:59:23

Chairman Pollert advised the committee that that takes care of the Northwest Human Service Center, North Central Human Service Center, Lake Region Human Service Center, Northeast Human Service Center, South Central Human Service Center, West Central Human Service Center and Badlands Human Service Center.

2:01:32

43. Page 12 - Attachment #1. Removes funding for 16-unit transitional living facility.

Roll call vote was taken 5 yeas, 1 nay, and 0 absent. Adopt amendment.

2:02:33

44. Page 14 - Attachment #1. Removes fund for 4 bed mental illness/chemical dependency crisis facility.

Roll call vote was taken 5 yeas, 1 nay, and 0 absent. Adopt amendment.

2:07:20

Chairman Pollert advised the committee to page 17 - Attachment #1.

45. Para # 2

Roll call vote was taken 5 yeas, 1 nay, and 0 absent. Adopt amendment.

46. Para # 3

Roll call vote was taken 4 yeas, 2 nays, 0 absent. Adopt amendment.

47. Para # 7

Roll call vote was taken 6 yeas, 0 nays, 0 absent. Adopt amendment.

2:28:11

48. Page 18 - Para # 8

Roll call vote was taken 6 yeas, 0 nays, 0 absent. Adopt amendment.

49. Para # 9

Roll call vote was taken 6 yeas, 0 nays, 0 absent. Adopt amendment.

2:31:19

Chairman Pollert put the committee into recess.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
February 19, 2013
JOB 19190

☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert reconvened the committee.

Rep. Bellew moved to adopt amendment 01004.

Rep. Kreidt seconded.

Becky Keller, LC: (0:02:08) DHS had some questions on the wording in the grants for section 12. Could you look that over? I may have it backwards.

Chairman Pollert: Do you mean the sections of code that it refers to?

Becky Keller: Under which section of code do they receive reimbursement payments? (Checked the Century Code.) Ok, this is right. (inaudible conversation 0:03:25-0:5:52) The second section of code listed in that grant section should also be 50-01.2-03.2, so we'll make that change.

Chairman Pollert: Do you need that as a motion?

Becky Keller: No, I'll correct it. DHS has also suggested changes to the language in section 10 for the personal needs allowance adjustments. (read the proposed language 0:07:42-0:08:11)

Chairman Pollert: So would you need that in the form of a motion?

Becky Keller: If you want to accept their language, yes.

Chairman Pollert: But we could still act on it? If that's the language that more correctly reflects what needs to be done?

Becky Keller: Right.

Rep. Kreidt made a motion to amend section 10.

Rep. Holman seconded.

Becky Keller read the language for the proposed change again (0:09:18).

Chairman Pollert: This is a motion to amend 01004.

Roll Call Vote 1: Yes: 6, No: 0, Absent: 0. Motion passed.

Chairman Pollert: (0:11:04) Any other discussion on the amendment 01004 as amended? The motion is to approve of the amendments.

Roll Call Vote 2: Yes: 5, No: 1, Absent: 0. Motion passed.

Rep. Kreidt motioned a Do Pass as Amended.

Rep. Bellew seconded.

Roll Call Vote 3: Yes: 5, No: 1, Absent: 0. Motion passed.

Chairman Pollert carried the bill.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee
Roughrider Room, State Capitol

HB 1012
2/22/13
JOB 19396

☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50.24.7.01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: 1,

00:18

Chairman Delzer called on Representative Pollert to present HB 1012 and asked that he walk through the amendment first. - Attachment #1

00:50

Representative Pollert: Mr. Chairman do you have amendment .01005 in front of everybody? Mr. Chairman HB 1012 is a bill of the Department of Human Services, Mr. Chairman I am going to start with page 4 of .01005. All the committee action will stem off of the second column - where it states bill total - House changes. The total of general fund decrease of $31,534,552.

02:30

Pollert continued on page 5 - Administration - Support.

04:04

Pollert continued on page 5 - Information Technology Services.

Pollert told the committee that the human resources division removed the funding for field services electronic health records system replacement for 5,000,000.

04:20

Chairman Delzer asked of Pollert that as he understands from the discussion he has had with the section that field series electronic health records system might be ahead of its time with what was happening with software and DHS?

Pollert replied that it was not 100% consensus in the section but with the delay implementation and the issues with MMIS and I know that the field services electronic health records system is a different computer system and we received information at the beginning of our session that the computer eligibility system that was approved during our special session, but for the 2015-2017 biennium will be asking for another 14 million roughly, for the increase cost in the computer eligibility system.

Pollert also stated that the field services electronic health records system was 3rd on the list of Citec list. DHS is concerned JACO accreditation, we had concerns about all the computer projects that are going on now, we just thought that it was better to not go forward on this project at this time.

Pollert continued on with the changes line item for funding in capital assets that should be in operating. This is something that the department asked for and since it does not carry a dollar amount we agreed to that.

06:15

Pollert stated that the section did not change anything with regard to the economic support assistance and the child support sections in the DHS budget. Page 6 of .01005.

06:35

Pollert directed the committee to the Medical Services Program on page 6 reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage. This is what is what people refer to as the "wood work effect". Which is dealing people who are going to come out of the wood work covered with ACA (Affordable Care Act), these people are already eligible in the system but they haven't come forward for anything and there is a thought that they will come out of the wood work and start wanting to get on to the system.

Pollert stated that we reduced the amount by 50 percent $2,268,289.

07:29

Pollert continued on one the following:

1. Removes funding for professional medical expert reviews of medical records and prior authorizations - reduced by $42,000.
2. Removes funding for program integrity services - reduced by $158,000.

3. Removes funding for a contract with a vendor to conduct prescreening of potential providers - reduced by $120,000.

4. Removes funding for oversight for qualified service provider mileage differential - reduced by $78,040.

07:54

Pollert continued on page 6 under the medical serves program, our section reviews caseload utilizations for medical services, long term care and DD.

Pollert pointed out to the committee the reduction of overall caseload projections for medical services as follows:

1. CHIP - $1,300,000
2. Premium- $315,000
3. Durable medical equipment - $30,000
4. Private duty nurses - $64,000
5. Transportation -$500,000

The total came to $909,500.for a total of 2.209 million.

Pollert also stated that we are not reducing services to people. You see this later in the long term care with respect to beds.

08:43

Pollert stated that DHS asked for additional funding for clawback payments for Medicare Part D of $248,265. This is from a memo dated February 5, 2013 that it comes forward and we added to the budget.

09:15

Pollert continued on page 6 under the long-term care program. Under removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280).
There are two or three main areas in the personal needs allowance. In January of 2002 we increased the personal needs allowance from $50.00 to $65.00 dollars. This particular item raises it from $85.00 to $1.00. This was done in 2010 we did not think that this was right because a session or two ago we had just to raise the personnel needs.
That is why you will see the decrease of $278,850.

Pollert also stated that there was a personal needs allowance in skilled nursing for $50.00 to $65.00 we left this in place with regards to the executive budget. This was last increased in 2002.

11:12

Pollert continued on page 6 - Reduces long-term care caseload projections.

1. Nursing homes - $7,000,000. I mentioned earlier the memo dated February 5, with the Medicare clawback (reference back to 08:43 this tape) to add the $248,265. There was a million in there plus we looked at the number of beds. We felt that that the beds and caseloads were long so we took 50% of the total beds plus I million and 6 million

2. HCBS waiver - $1,000,000

3. Expanded SPED - $145,000

Pollert pointed out to the committee that is what the decrease of 4,145 or total of 8,145,000.

11:52

Pollert continued of reduces developmental disabilities caseload projections. We did not look at the caseload last time this time we did and we reduced the general funds by of $1,150,000 for a total of 2,300,000.

12:06

Pollert continued on - Adds funding for an adaptive skiing grant of $200,000. This is for Annie's house in Bottineau.

12:47

Pollert continued on the last item on page 6. Changes funding source from general fund to health care trust fund to increase property limits for nursing homes.

Pollert explained that DHS put this in we looked at it and decided that the IGT should be self-sufficient. That is why you see a decrease in the general fund of 546,786.

13:11

Pollert directed the committee to the top of page 7- provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants. This is $425,000 out of the IGT funds.

13:38

Pollert continued on Aging Services Program. Reduces funding for guardianship services. It is a decrease of 1,000,000. And you will see guardianship services come up later in reference to HB 1041.

13:55

Pollert continued on with Children and Family Services Program. Removes funding for post adoption services we reduced that by $133,520.

Pollert continued on adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation. We added $150,000.

15:18

Pollert continued on to Mental Health and Substance Abuse Program. Removes funding for grants to be provided by the Governor's Prevention Advisory Council. - reduction of $100,000. We tried this a biennium or so again and we weren't successful so we are trying it again.

Pollert continued on removes peer support funding from all regions reduction of $300,000

15:49

Pollert continued on Developmental Disabilities Council and Developmental Disabilities Division. No changes were made.

15:54

Pollert continued on Vocational Rehabilitation. Provide funding for the older blind program This was an amendment for presented to us by Representative Holman, we approved $50,000.

16:24

Pollert directed the committee to page 8 - State Hospital. Reduces funding for operating a reduction of $350,000.

Removes funding for water temperature controls for shower rooms in LaHaug Building.

The total for the state hospital is $425,000.

17:20

Pollert Continued on to the- Developmental Center. We reduced the total by $290,000. This is to include demolition of the Refectory and Pleasant View buildings at the DD center. Both of these buildings need to be torn down we talked with an outside agency and we received information that it could be down for $220,000. If they cannot get it done then they can go to the emergency commission and seek more funds.

18:40

Chairman Delzer: This is one of the bills, I've always been an advocate that the legislature should take last session's budget and amend it with the governor's proposals. One of the major reasons is even with these reductions; it is going to be a $200M increase in general fund spending. We talk about reductions when in fact they are really increases.

21:20

Pollert continued on - Decreases funding for operating expense $150,000.

21:41

Pollert directed the committee to page 9 - the Human Service Centers. Reduces operating for all human service centers. We reduced this by $1,000,000.

Pollert directed the committee to page 10.

23:47

Pollert continued on the South East Human Service Center - removed funding for 16-unit transitional living facility. Our section was divided on the issue but we did take it out of the budget. Reduction of $1,300,000.

24:22

Pollert directed the committee to page 11 - West Central Human Service Center. Removes funding for four-bed mental illness/chemical dependency crisis facility. They currently are at 10 beds wanted to go to 14. Reduction of 324,156.

25:02

Pollert directed the committee to page 2 with respect to verbiage used in different section of this bill.

Pollert directed the committee to Section 7.

26:47

Chairman Delzer called on Representative Kreidt to explain the verbiage in Section 7.

28:29

Pollert directed the committee section 9.

29:52

Pollert directed the committee to section 10. This language refers to the CPI index that I discussed earlier.

32:20

Pollert directed the committee to section11.

32:35

Pollert directed the committee to page 3 - section 12.

32:44

Pollert directed the committee to section 13.

32:50

Pollert directed the committee to section 14. He pointed out that he was the one who wanted this study done.

33:25

Pollert directed the committee to section 15.

34:00

Pollert advised the committee that the total reduction is $31,534,552 for HB 1012.

34:20

Chairman Delzer: That still leaves the increase of $218M.

Pollert: That would be down to $204M.

34:38

Pollert made a motion to accept the proposed amendment .01005, second by Representative Nelson.

Chairman Delzer called for a voice vote.

Chairman Delzer voice vote carries and the amendment is adopted.

48:57

Pollert asked the chairman if he could move to the green sheets.

50:33

Chairman Delzer asked of Becky Keller - Senior Fiscal Analyst - LCA why there is a difference between the green sheet and the bill on page 3?

53:38

Chairman Delzer asked Representative Pollert to continue on green sheet.

1:10:27

Representative Bellew made a motion, second by Representative Kempenich to remove section 7 from the amendment .01005.

Chairman Delzer called for the vote. Voice vote taken and chairman stated that the motion carries.

1:11:07

Chairman Delzer called on Representative Holman.

Representative Holman asked the chairman if he could make a motion to put the Medicaid expansion back into the bill.

Chairman Delzer stated that that is just language and the bill is in Human Services. He did not see a need to put it back into HB1012.

1:12:10

Representative Bellew asked the chairman if he could make another motion

Representative Bellew made the motion to remove section 11 from amendment .01005, second by Representative Pollert.

1:17:00

Representative Hawken: It isn't 1999. It's 2013, and that's a long time. This is a by far better way to add dignity to the end of life. We've already said we don't care about kids, but this is something for sure worth trying. This is an opportunity to give that to citizens.

Representative Pollert: I'm not saying it's not a good idea. Debate should be out where everybody can talk about it. In the DHS budget, there will be a long term care study. It's in this budget.

1:19:04

Representative Nelson: The money that's used in this fund is not general fund money, it's all federal funding. Not one dime of general fund money was put into this trust fund.

1:19:34

Chairman Delzer asked the clerk to call the roll. Representative Kreidt asked for a roll call on section 11.

Roll call vote 10 yeas, 0 nays, 0 absent. Motion failed.

1:20:40

Representative Pollert mode the motion for a Do Pass on HB 1012, second by Representative Wieland.

1:21:02

Chairman Delzer asked the clerk to call the roll.

Roll call vote 16 yeas, 5 nays, 1 absent. Do Pass on HB 1012 as amended.

1:21:52 end tape

13.8141.01006
Title.02000
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations
February 25, 2013

VR
2/25/13
10:11

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the semicolon insert "to provide for intermediate care facility construction review and personal needs allowances;"

Page 1, replace lines 16 through 21 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$5,069,755
Northwest human service center	8,674,568	243,623	8,918,191
North central human service center	20,902,226	1,046,945	21,949,171
Lake region human service center	11,244,306	1,451,827	12,696,133
Northeast human service center	28,089,450	(246,675)	27,842,775
Southeast human service center	33,747,874	3,942,598	37,690,472
South central human service center	16,466,240	287,643	16,753,883
West central human service center	26,352,443	3,110,147	29,462,590
Badlands human service center	11,708,054	597,664	12,305,718
State hospital	71,423,200	1,641,436	73,064,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace lines 12 through 19 with:

"Mainframe migration	$0	$810,000
Demolish refectory and pleasant view building - developmental center	0	220,000
State hospital capital projects	1,800,000	789,714
Grants	0	775,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$2,594,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,508,621"

Page 4, remove lines 3 through 10

Page 5, after line 23, insert:

"**SECTION 8.**

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 9.

Personal needs allowance adjustments.

As of June thirtieth at the end of each biennium, the department of human services shall determine an adjustment for each category of personal needs allowance based on the consumer price index for urban consumers for the previous twelve months. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the consumer price index is a negative factor, the personal needs allowance may not be changed.

SECTION 10. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 11. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes $150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 12. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes $200,000 from the general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

SECTION 13. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying, during the 2013-14 interim, the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center. The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 14. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER BUILDINGS. It is the intent of the sixty-third legislative assembly that the department of human services demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton. If the amount of $220,000 included in the developmental center line item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both buildings, the department of human services may request emergency commission approval for additional funding from the state contingencies appropriation."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy			
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
DHS - State Hospital			
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
DHS - Developmental Center			
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
DHS - Statewide HSC			
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC			
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391

DHS - North Central HSC			
Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
DHS - Northeast HSC			
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
DHS - Southeast HSC			
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246
DHS - South Central HSC			
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
DHS - West Central HSC			
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
DHS - Badlands HSC			
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
Bill total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

Department No. 326 - DHS - Management - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages	($16,808,311)	($16,808,311)
Operating expenses	(5,545,840)	(5,545,840)
Capital assets	(204,160)	(204,160)
Total all funds	($22,558,311)	($22,558,311)
Less estimated income	(4,539,635)	(4,539,635)
General fund	($18,018,676)	($18,018,676)
FTE	(1.00)	(1.00)

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages		
Operating expenses	(1,997,151)	(1,997,151)
Grants	100,000	100,000
Grants - Medical assistance	(16,929,603)	(16,929,603)
Total all funds	($18,826,754)	($18,826,754)
Less estimated income	(8,245,034)	(8,245,034)
General fund	($10,581,720)	($10,581,720)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				

Economic Assistance Policy Program

No changes

Child Support Program

No changes

Medical Services Program

Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage	(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations	(42,000)	(42,000)	(84,000)
Removes funding for program integrity services	(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers	(120,000)	(120,000)	(240,000)
Removes funding for oversight for qualified service provider mileage differential	(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000	(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D	$248,265		$248,265

Long-Term Care Program

Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)	(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $7,000,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000	(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections	(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant	200,000		200,000
Changes funding source from general fund to health care trust fund to increase property limits for nursing homes	(546,786)	546,786	0
Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants		425,000	425,000

Aging Services Program

Reduces funding for guardianship services	(1,000,000)		(1,000,000)

Children and Family Services Program

Removes funding for postadoption services	(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation	150,000		150,000

Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of House Changes

	House Changes[1]	Total House Changes
State Hospital	($425,000)	($425,000)
Total all funds	($425,000)	($425,000)
Less estimated income	0	0
General fund	($425,000)	($425,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug Building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

8 of 11

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
FTE	392.55	0.00	392.55

Department No. 330 - DHS - Developmental Center - Detail of House Changes

	House Changes[1]	Total House Changes
Developmental Center	($290,000)	($290,000)
Total all funds	($290,000)	($290,000)
Less estimated income	0	0
General fund	($290,000)	($290,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Changes	House Version
DHS - Management	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy	934,635,685	(10,581,720)	924,053,965
DHS - State Hospital	54,235,473	(425,000)	53,810,473
DHS - Developmental Center	24,986,252	(290,000)	24,696,252
DHS - Statewide HSC	4,994,616	(600,000)	4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593
DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$61,473,447	($4,539,635)	$56,933,812
DHS - Program/Policy	1,429,648,423	(8,245,034)	1,421,403,389
DHS - State Hospital	19,254,163		19,254,163
DHS - Developmental Center	28,064,218		28,064,218

DHS - Statewide HSC	1,075,139	(400,000)	675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$1,613,649,730	($13,509,669)	$1,600,140,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$124,062,199	($22,558,311)	$101,503,888
DHS - Program/Policy	2,364,284,108	(18,826,754)	2,345,457,354
DHS - State Hospital	73,489,636	(425,000)	73,064,636
DHS - Developmental Center	53,050,470	(290,000)	52,760,470
DHS - Statewide HSC	6,069,755	(1,000,000)	5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883
DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
FTE	2197.08	(1.00)	2196.08

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				
	-40,000	($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - House changes:				

Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from the Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances.
  - A Legislative Management study of the Developmental Center.

Date: 2/18/2013
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No 0

Absent Ø

Floor Assignment

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

Attachment #1, pg 2 - #1

Date: 2/18/2
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1, page 2 - #2

Date: 2/18/2013
Roll Call Vote #: 3

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1, page 2 ~ #3

Date: 2/18/2013
Roll Call Vote #: 4

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Bellew Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson		✓			
Representative Wieland	✓				

Total (Yes) 4 No 2

Absent Ø

Floor Assignment

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

Attachment #1, page 2 - #4

Date: 2/18/2013
Roll Call Vote #: 5

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. _____

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment _____

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

Attachment # 1, page 2 ~ #5

Date: 2/18/2013
Roll Call Vote #: 6

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1, page 3 - #6

Date: 2/18/2013
Roll Call Vote #: 7

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman		✓
Representative Bellew		✓			
Representative Kreidt	✓				
Representative Nelson		✓			
Representative Wieland	✓				

Total (Yes) 2 No 4

Absent Ø

Floor Assignment _____

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

Attachment #1, page 3-7.

Date: 2/18/2013
Roll Call Vote #: 8

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment _____

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

Attachment #1, page 3 - 8.

Date: 2/18/2013
Roll Call Vote #: 9

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ page 3 ~ #9

Date: 2/18/2013
Roll Call Vote #: 10

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ page 3 ~ #10

Date: 2/18/2013
Roll Call Vote #: 11

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 3 ~ #11

Date: 2/18/2013
Roll Call Vote #: 12

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ #12

Date: 2/18/2013
Roll Call Vote #: 13

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 3 ~ #13

Date: 2/18/2013
Roll Call Vote #: 14

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert			Representative Holman		
Representative Bellew					
Representative Kreidt					
Representative Nelson					
Representative Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

This Amendment was not voted on by the chair as it doesn't meet the intent of the recommended amendment.

Date: 2/18/2013
Roll Call Vote #: 15

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 3 ~ 14.

Date: 2/18/2013
Roll Call Vote #: 16

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment _____

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

Attachment #1 - page 3 - #16

Date: 2/18/2013
Roll Call Vote #: 17

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 3 ~ # 17

Date: 2/18/2013
Roll Call Vote #: 18 and page 17 para 6.

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 3 ~ #18
AND page 17 ~ para #6

Date: 2/18/2013
Roll Call Vote #: 19

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ page 3 ~ #19

Date: 2/18/2013
Roll Call Vote #: 20 Ana
pg. 17 ~ para 4

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman	✓	
Representative Bellew		✓			
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 4 No 2

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ #2 Ana

page 17 ~ para 4

Date: 2/18/2013
Roll Call Vote #: 21

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☒ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman	✓	
Representative Bellew		✓			
Representative Kreidt		✓			
Representative Nelson		✓			
Representative Wieland		✓			

Total (Yes) 1 No 5

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 4 ~ #21

Date: 2/18/2013
Roll Call Vote #: 22

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 4 ~ #22

Date: 2/18/2013
Roll Call Vote #: 23

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 4 ~ #23

Date: 2/18/2013
Roll Call Vote #: 24

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☒ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman	✓	
Representative Bellew		✓			
Representative Kreidt		✓			
Representative Nelson		✓			
Representative Wieland	✓				

Total (Yes) 2 No 4

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ pg 4 ~ #24

Date: 2/18/2013
Roll Call Vote #: 25 and page 17 ~ para 5

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ pg 4 ~ #25
AND ~ pg 17 ~ para 5

Date: 2/18/2013
Roll Call Vote #: 26

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ pg 4 ~ #26

Date: 2/18/2013
Roll Call Vote #: 27

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ Pg 4 ~ #27

Date: 2/18/2013
Roll Call Vote #: 28

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☒ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman	✓	
Representative Bellew		✓			
Representative Kreidt		✓			
Representative Nelson		✓			
Representative Wieland		✓			

Total (Yes) 1 No 5

Absent Ø

Floor Assignment _____

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

Attachment #1 ~ page 4 ~ #28

Date: 2/18/2013
Roll Call Vote #: 29

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 4 - #29
Adopt as amended by Representative Holman.

Date: 2/18/2013
Roll Call Vote #: 30

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 5 ~ #30.

Date: 2/13/2013
Roll Call Vote #: 31

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson		✓			
Representative Wieland	✓				

Total (Yes) 4 No 2

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 5 ~ #31.

Date: 2/18/2013
Roll Call Vote #: 32

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg6 ~ #32
Intent language to reflect both buildings
Be torn down.

Date: 2/18/2013
Roll Call Vote #: 33

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent

Floor Assignment

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

Attachment #1 ~ page 6 ~ #33

Date: 2/18/2013
Roll Call Vote #: 34

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 7 ~ #34

Date: 2/18/2013
Roll Call Vote #: 35, 36, 37, 38, 40, 41, 42

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1017

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 – #35 pg 8, #36 pg 9, #37 pg 10
#38 pg 11, #39 pg 12, #40 pg
#41 pg 14, #42 pg 15.

Date: 2/18/2013
Roll Call Vote #: 43

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 ~ pg 12 ~ #43

Date: 2/18/2013
Roll Call Vote #: 44

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment _____

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

Attachment # 1 ~ pg 14 ~ #44

Date: 2/18/2013
Roll Call Vote #: p. 17 para (2) #45

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment

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

Attachment #1 - page 17 - para #2

Date: 2/18/2013
Roll Call Vote #: pg 17 ~ para #3
#46

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert		✓	Representative Holman	✓	
Representative Bellew		✓			
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 4 No 2

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 17 ~ para #3

Date: 2/18/2013
Roll Call Vote #: pg 17 ~ para 7 #47

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 17 ~ para 7

Date: 2/18/2013
Roll Call Vote #: page 18 - para 8
II 48

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 18 ~ para # 8

Date: 2/13/2013
Roll Call Vote #: ~~pg 18 - para #8~~ #49

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No Ø

Absent Ø

Floor Assignment

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

Attachment #1 ~ page 18 ~ para #8

Date: 02·19·13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 01004

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Kreidt Seconded By Holman

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman	✓	
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment

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

Motion to amend section 10 of .01004.

Date: 02.19.13
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 01004

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Bellew Seconded By Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent 0

Floor Assignment

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

To adopt amendment 01004, as amended.

Date: 2/19/2013
Roll Call Vote #: 3 Motion to Amend

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House **House Appropriations - Human Resources Division** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Kreidt Seconded By Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	✓		Representative Holman		✓
Representative Bellew	✓				
Representative Kreidt	✓				
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 5 No 1

Absent Ø

Floor Assignment Pollert

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

Motion to "Do Pass" HB 1012

Date: 2/22/13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0100S

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Pollert Seconded By Rep. Wieland

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Rep. Streyle		
Vice Chairman Kempenich			Rep. Thoreson		
Rep. Bellew			Rep. Wieland		
Rep. Brandenburg					
Rep. Dosch					
Rep. Grande			Rep. Boe		
Rep. Hawken			Rep. Glassheim		
Rep. Kreidt			Rep. Guggisberg		
Rep. Martinson			Rep. Holman		
Rep. Monson			Rep. Williams		
Rep. Nelson					
Rep. Pollert					
Rep. Sanford					
Rep. Skarphol					

Total Yes _____ No _____

Absent _____

Floor Assignment _____

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

voice vote carries

Date: 2/22/13
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Bellew Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Rep. Streyle		
Vice Chairman Kempenich			Rep. Thoreson		
Rep. Bellew			Rep. Wieland		
Rep. Brandenburg					
Rep. Dosch					
Rep. Grande			Rep. Boe		
Rep. Hawken			Rep. Glassheim		
Rep. Kreidt			Rep. Guggisberg		
Rep. Martinson			Rep. Holman		
Rep. Monson			Rep. Williams		
Rep. Nelson					
Rep. Pollert					
Rep. Sanford					
Rep. Skarphol					

Total Yes No

Absent

Floor Assignment

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

remove section 7 from amendment .01005

voice vote carries

Date: 2/22/13
Roll Call Vote #: 3

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Bellew Seconded By Rep. Pollert

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Rep. Streyle	X	
Vice Chairman Kempenich	X		Rep. Thoreson	X	
Rep. Bellew	X		Rep. Wieland		X
Rep. Brandenburg	X				
Rep. Dosch	X				
Rep. Grande	X		Rep. Boe		X
Rep. Hawken		X	Rep. Glassheim		X
Rep. Kreidt		X	Rep. Guggisberg		X
Rep. Martinson			Rep. Holman		X
Rep. Monson		X	Rep. Williams		X
Rep. Nelson		X			
Rep. Pollert	X				
Rep. Sanford		X			
Rep. Skarphol	X				

Total Yes 10 No 11

Absent 1

Floor Assignment

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

remove section 11 from amendment. 01005
↳ $425,000 for assisted living

roll call vote requested
motion failed

Date: 2/22/13
Roll Call Vote #: 4

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Pollert Seconded By Rep. Wieland

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Rep. Streyle		X
Vice Chairman Kempenich	X		Rep. Thoreson		X
Rep. Bellew	X		Rep. Wieland	X	
Rep. Brandenburg		X			
Rep. Dosch		X			
Rep. Grande		X	Rep. Boe	X	
Rep. Hawken	X		Rep. Glassheim	X	
Rep. Kreidt	X		Rep. Guggisberg	X	
Rep. Martinson			Rep. Holman	X	
Rep. Monson	X		Rep. Williams	X	
Rep. Nelson	X				
Rep. Pollert	X				
Rep. Sanford	X				
Rep. Skarphol	X				

Total Yes 16 No 5

Absent 1

Floor Assignment Rep. Pollert

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

REPORT OF STANDING COMMITTEE

HB 1012: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide for intermediate care facility construction review and personal needs allowances;"

Page 1, replace lines 16 through 21 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$5,069,755
Northwest human service center	8,674,568	243,623	8,918,191
North central human service center	20,902,226	1,046,945	21,949,171
Lake region human service center	11,244,306	1,451,827	12,696,133
Northeast human service center	28,089,450	(246,675)	27,842,775
Southeast human service center	33,747,874	3,942,598	37,690,472
South central human service center	16,466,240	287,643	16,753,883
West central human service center	26,352,443	3,110,147	29,462,590
Badlands human service center	11,708,054	597,664	12,305,718
State hospital	71,423,200	1,641,436	73,064,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace lines 12 through 19 with:

"Mainframe migration	$0	$810,000
Demolish refectory and pleasant view building - developmental center	0	220,000
State hospital capital projects	1,800,000	789,714
Grants	0	775,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$2,594,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,508,621"

Page 4, remove lines 3 through 10

Page 5, after line 23, insert:

"**SECTION 8.**

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 9.

Personal needs allowance adjustments.

As of June thirtieth at the end of each biennium, the department of human services shall determine an adjustment for each category of personal needs allowance based on the consumer price index for urban consumers for the previous twelve months. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the consumer price index is a negative factor, the personal needs allowance may not be changed.

SECTION 10. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 11. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes $150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 12. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes $200,000 from the general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

SECTION 13. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying, during the 2013-14 interim, the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center.

The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 14. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER BUILDINGS. It is the intent of the sixty-third legislative assembly that the department of human services demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton. If the amount of $220,000 included in the developmental center line item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both buildings, the department of human services may request emergency commission approval for additional funding from the state contingencies appropriation."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy			
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
DHS - State Hospital			
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
DHS - Developmental Center			
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
DHS - Statewide HSC			
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC			
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391
DHS - North Central HSC			
Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
DHS - Northeast HSC			
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
DHS - Southeast HSC			
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246

DHS - South Central HSC			
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
DHS - West Central HSC			
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
DHS - Badlands HSC			
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
Bill total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

Department No. 326 - DHS - Management - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages	($16,808,311)	($16,808,311)
Operating expenses	(5,545,840)	(5,545,840)
Capital assets	(204,160)	(204,160)
Total all funds	($22,558,311)	($22,558,311)
Less estimated income	(4,539,635)	(4,539,635)
General fund	($18,018,676)	($18,018,676)
FTE	(1.00)	(1.00)

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)

Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages		
Operating expenses	(1,997,151)	(1,997,151)
Grants	100,000	100,000
Grants - Medical assistance	(16,929,603)	(16,929,603)
Total all funds	($18,826,754)	($18,826,754)
Less estimated income	(8,245,034)	(8,245,034)
General fund	($10,581,720)	($10,581,720)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage		(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)

Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long-Term Care Program				
Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $7,000,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant		200,000		200,000
Changes funding source from general fund to health care trust fund to increase property limits for nursing homes		(546,786)	546,786	0
Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants			425,000	425,000
Aging Services Program				
Reduces funding for guardianship services		(1,000,000)		(1,000,000)
Children and Family Services Program				
Removes funding for postadoption services		(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation		150,000		150,000
Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of House Changes

	House Changes[1]	Total House Changes
State Hospital	($425,000)	($425,000)
Total all funds	($425,000)	($425,000)
Less estimated income	0	0
General fund	($425,000)	($425,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug Building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
FTE	392.55	0.00	392.55

Department No. 330 - DHS - Developmental Center - Detail of House Changes

	House Changes[1]	Total House Changes
Developmental Center	($290,000)	($290,000)
Total all funds	($290,000)	($290,000)
Less estimated income	0	0
General fund	($290,000)	($290,000)

FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Changes	House Version
DHS - Management	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy	934,635,685	(10,581,720)	924,053,965
DHS - State Hospital	54,235,473	(425,000)	53,810,473
DHS - Developmental Center	24,986,252	(290,000)	24,696,252
DHS - Statewide HSC	4,994,616	(600,000)	4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593
DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$61,473,447	($4,539,635)	$56,933,812
DHS - Program/Policy	1,429,648,423	(8,245,034)	1,421,403,389
DHS - State Hospital	19,254,163		19,254,163
DHS - Developmental Center	28,064,218		28,064,218
DHS - Statewide HSC	1,075,139	(400,000)	675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$1,613,649,730	($13,509,669)	$1,600,140,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$124,062,199	($22,558,311)	$101,503,888
DHS - Program/Policy	2,364,284,108	(18,826,754)	2,345,457,354
DHS - State Hospital	73,489,636	(425,000)	73,064,636
DHS - Developmental Center	53,050,470	(290,000)	52,760,470
DHS - Statewide HSC	6,069,755	(1,000,000)	5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883

DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
FTE	2197.08	(1.00)	2196.08

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				
-40,000		($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total

Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718

Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from the Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances.
  - A Legislative Management study of the Developmental Center.

2013 SENATE APPROPRIATIONS

HB 1012

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 - 8:30 am
03-11-2013
Job # 19666 (00.00 - 1.40.14)
Job # 19685 (00.00 - 45.17)

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation for Department of Human Services (DHS) (Overview, Admin, IT, Economic Assistance, Child Support; and Public Comment).

MINUTES:

See attached testimony #1 through #5.

Job # 19666 (00.00 - 1.40.14) Overview, Admin, IT, Economic Assistance & Child Support. Testimony 1 - 5 are included in these minutes.

Chairman Holmberg called the committee to order on Monday, March 11, 2013 at 8:30 am in regards to HB 1012. Roll call was taken. All committee members were present. Lori Laschkewitsch, OMB and Becky J. Keller, Legislative Council were also present. We have a subcommittee, **Senator Kllzer will chair; Senator Erbele, Senator Gary Lee and Senator Mathern will serve on that subcommittee.**

Maggie Anderson, Interim Executive Director for the Department of Human Services (DHS) (1.38 - 8.29) testified in favor of HB 1012 and provided Testimony attached **#** 1 which is an overview of the Department of Human Services. Explained the overview as well as the amendments, and went through the engrossed bill. The last part of her testimony which is Section 14 of the Engrossed bill relates to the demolition of the refectory and pleasant view buildings at the developmental center at westwood park, Grafton and the House reduced the funding and this legislative intent language speaks to that that if the funding is insufficient to provide for the demolition of both buildings the DHS may request the emergency commission to approval of additional money from the state contingencies appropriation.

Chairman Holmberg what is the potential amount of money that would be utilized? If you are going to tear them down, they took out some cash, but the contingency is only $700,000 and that can go very rapidly in a two year period. Was there testimony which indicated that the amount of money in the budget was too great and it could be pared back without any great risk?

Ms. Anderson: (9.11 - 9.36) The amount that the House reduced was $140,000, so the total was $360, and that was based on estimates that we received and so the department believes we would need the $360,000 to demolish those buildings so there wasn't any testimony provided by the department that indicated that we could do it for less than that.

Chairman Holmberg: I get nervous if we are actually appropriating with our eyes wide open out of the contingency fund this early that seems a little interesting.

Vice Chairman Bowman: asked about the size of the buildings.

Director Alex Schweitzer: The one is a 4 story building and the other is a 2 story building and they've been around a long time so there is a lot of square footage. What's considered in the demolition is not only the square footage but asbestos removal and dumping it and approved dump is the whole budget.

Senator Warner: In Section 10 of the bill, is that a specific enterprise somewhere?

Ms. Anderson: (11.08 - 11.47) There was no specific facility mentioned. There was an indication that there was a facility that was in the process of remodel and this would be used to help them buy down the debt on that remodel. There was discussion as the amendment was going through House Appropriations that there could be other facilities in the state, and so this could be another Section where the Department may find itself with competing interests in this $425,000. There was no definition applied to what low income tenants meant in the process as well.

Senator Warner: This is would be the Department moving in an entirely new direction in subsidizing assisted living.

Ms. Anderson: (11.56 - 18.48) Correct. We do not currently subsidize rent for assisted living, what we consider room and board. We provide personal care services, so this would be different for the Department. It is a fundamental change. She continued her overview (her written testimony) stated that Medicaid Management Information System MMIS has been delayed several times but the current scheduled implementation date for the full MMIS is October 1, 2013. She continued on with page 3 of testimony. (15.52) Federal funds were addressed and the fact that these funds will be reduced (the Federal Medical Assistance percentage) and discussion on other funds. FTE's were addressed. The House removed the position of Deputy Director for the agency. She continued on with the Major Budget Changes. The FMAP was addressed in her testimony. 50% is the current floor for FMAP and so that's why without federal changes we feel pretty comfortable in saying that estimate of 50% will hold for fiscal year 2015.

Chairman Holmberg: Have there been any discussions on the federal level about them taking another look at that 50% floor?

Ms. Anderson: We know there have been a variety of discussions with all of the deficit discussions and all of the federal Medicaid percentages because we have a variety of them within our budget have been discussed. There hasn't been a lot of momentum and there

are 13 other states who have FMAP at the 50% and some of them are quite large and hopefully be able to participate in discussions.

Senator Warner: All the elected officials have Deputy Directors because they need somewhere for the constitutional authority of the office to reside if the Director is unavailable. What is the role of the Deputy Director which is specific to an agency with an appointed head?

Ms. Anderson: (19.51 - 20.28) When this amendment was proposed by the House our legal advisory unit did look in statute, if there was something in statute that indicated that DHS was entitled or granted a Deputy Director in statute and we are not , we are requesting that be restored. Primarily because as you know the Department's currently in the Interim Executive Director role and we would like for that to be restored so as the governor makes his decision he can work with that permanent director and decide the appropriate structure for the executive office.

Chairman Holmberg asked OMB if DOT or Corrections have a Deputy Director? He was told they both do.

Ms. Anderson: (20.45 -36.42) top of page 4 in written testimony. Reminder the clawback is what we pay back, we are financing a portion of that through this clawback payment. (25.30) SB 2024 was mentioned regarding modifications needed to process medical claims for inmate of county jails. She continued on to the pie chart - (31.14) Attachment C is an overview of where the money goes - Department-Wide. Attachment D is overview of where the money goes - Long Term Care Continuum, (including DD Grants) She continued on to Attachment G - the House Amendments.

Chairman Holmberg: Did not the House remove those kinds of enhancements for oil patch workers in other budgets? He was told yes by OMB that they removed them from all of the budgets.

Ms. Anderson: (36.35 - 42.20) continued regarding the House Amendments. We are requesting you to restore our budget back to the governor's recommendations. Attachment 8 is a list of all the bills during this session that have a fiscal effect and no appropriations but they all have an impact on the Department and on the services that were needed to provide so we thought it was important to bring that to you and let you know about those bills and about the funding that was requested in fiscal notes to carry out the provisions of those bills. HB 1362 is the bill that would authorize the Department to expand the Medicaid program under the provisions of the Affordable Care Act, we are still working on the fiscal note for that because the House made amendments to that bill and we are having to construct that fiscal note based on those amendments. That is the Department's Overview of Engrossed Bill 1012.

Chairman Holmberg: There is one bill that was defeated in the House regarding social recreation centers, it was HB 1438, how much money were they asking for in 1438 and some of us are getting requests that we should look at that again in light of having the actual budget in front of us? He was told she doesn't have that at her fingertips. And then the second question is when we get to adult services today there were a number of studies

done over the past couple of years, 2010-2011, regarding the return on investment of nutrition programs, home delivered meals, and the congregate meals. I remember one of them was a Howe-Hag Study, I know the ND Department of Insurance but I can't remember the title of the report was Feeding Granny or that just was a report that someone else made up that title. When adult services visit with us can they review Feeding Granny. He was told they will ask someone to do that. My 3rd question is we are getting a lot of chatter from folks about the Infant Development Program, my assumption is that that was somewhere within a grant line item that was reduced, is that accurate?

Ms. Anderson: (44.06 - 44.51) On attachment G under the Long-term care area, there is a reduction in the Developmental Disabilities Grant, and one of the reductions in that area is a reduction to the Infant Development Program, so when Tina Bay from the Development Disabilities Division does her overview she will be able to talk to you about that.

Becky J. Keller: HB 1438 - it is $300,000 in that bill and the House defeated that bill. (45.00)

Senator Mathern: On the HB 1362, the Medicaid expansion which the House passed, is $100M plus, was that program in the governor's budget and were there any dollars in the executive budget for that program? He was told there were no dollars removed when they removed Section 3 from the original bill.

Senator Carlisle: On Section 4, What's the dollar line for each dime right now it's a 50 cent an hour increase and how do you break that out?

Ms. Anderson: Our fiscal people would love to have the opportunity to answer this. For the 50 cents it was 14.9M in general funds so we'll need to break that out and take a look at what it would be for every 10 cents. We can get that to you for every 10 cent increase.

Senator Carlisle: On the 7% admin costs that's pretty good isn't it? He was told by OMB that it is pretty good.

Chairman Holmberg: First of all we don't need to spend a lot of time talking about the issue of what the House did regarding compensation. But the budget going to the House and coming to us was underfunded in salaries is that not correct and by what amount roughly? That is nothing new, it's been traditional.

Ms. Anderson: (47.28 - 47.47) The Department currently underfunds our salaries, primarily at the institutions in the Human Service Center so the action that the House took on most of the other agency bills with that accrued leave line, they did not do to the Department's budget because we already underfund our budget.

Senator Wanzek: is OAR # 16, is that the one for Human Service Center in Jamestown regarding transitional employment? He was told it was SB 2182. How did they fund it the last biennium? He was told Alex Schweitzer will give that information to the committee.

Senator Robinson: Tomorrow when we hear from the folks, mental health and substance abuse, will there be anyone here from Share House to speak to their needs? Ms. Anderson

stated she was not aware of anyone coming. I know Bill is struggling with health concerns, has there been an individual identified to cover during this time of his illness at Share House? He was told we can get that information later.

Senator Kilzer: Is there going to be any turn back at the end of biennium?

Ms. Anderson: (50.05 - 50.16) The Department is projecting to have about a $20.9M deficiency so we don't expect to have any turn back at this time.

Tammy R. Dolan , OMB came in to the hearing at this time.

Debra McDermott, Chief Financial Officer of the DHS (52.30 - 1.01.18) testified in favor of HB 1012 and provided written Testimony attached # 2 which is an overview of the Administration/Support area of the Department.

Senator Robinson: Could you get rental to OMB, for the judicial wing office space, but a schedule for your rental rates and the increase, do you have schedule on the other property? He was told they will get that to the committee.

Vice Chairman Grindberg : the 3rd bullet on House changes, where the House removed the money for Williston, Dickinson and Minot. What kind of explanation, I assume the governor recommended that for the agency s recommendation on the demands that are increasing. Is there any feedback you can give us as to why that was removed?

Ms. McDermott: (1.02.24 - 1.03.03) Basically, in this biennium in April of 2012 we started providing $500 a month for our employees in the Williston region due to our large turnover ratio that we were having in that area to help them offset some of their increased costs. What we had did on our turnover ratios in the Williston, Minot and Dickinson regions we had an optional adjustment request in the budget which was funded by the governor to basically make that $500 available to all employees of those 3 regions and that was reduced by the House.

Vice Chairman Grindberg: There was no debate that they had on committee that you are aware of as to why, other than they just felt it wasn't needed, would you assume? He was told that's what she would assume.

Chairman Holmberg: You see them doing that in DOT and HP budget.

Senator Warner: Comment about the distribution, we've seen in other budgets, Game and Fish, Industrial Commission where they have a pool of money and then there is an application process for grants my question has to do with the $500 across the board for all the employees, is it part of their base salary is it taxable income, is it a rent subsidy what is the relationship with the IRS, what is the relationship to their permanent base salary and to their pension?

Ms. McDermott: The $500 does not become part of their base salary, it is called an add on so they have to pay taxes on it, it isn't included in their base salary, it isn't included in their retirement contributions or anything and it is taxed at that higher rate.

Senator Wanzek: I am curious about the increase in professional fees, 39% increase in attorney fees, is that mainly because of a decrease in utilizing the Attorney General and more private, is that why the increase is so high?

Ms. McDermott: (1.05.06 - 1.5.27) Each year the OMB provides us with the estimated rates for various services provided by other state agencies and when we receive that information from the Attorney General's Office and from the Office of Administrative Hearings those were the increased rates that they provided.

Senator Mathern: Recently a citizen in this area said to me that we are spending $1M per year for rent on a building that's worth $6M, in this tally you are going to provide the committee about rents paid, would there be anything that clarifies what the building is worth? He was told they do not have that information. (1.06.32)

Jenny Witham, Chief Information Officer for DHS (1.09.30 - 1.13.23) testified in favor of HB 1012 and provided written Testimony attached # 3, which is an overview of the Department's Information Technology Services Division. Turn to the last page which is a schedule for the Human Service Eligibility Modernization Project. We are providing this for you for your information. She explained the difference column (which is highlighted in the testimony) ITD has a certain set of people working on this project, they are interviewing people to bring in to work on this project, there is a rate increase to bring in contractors. Not only is there an increase in the cost we are projecting, we are sure this project will run longer, we are now projecting it will continue through the entire 2015 - 17 biennium.

Vice Chairman Bowman: For technology, it's almost repulsive what this is costing us, and it still is not completed, are we ever going to have a project on line that isn't going to be outdated by the time it's completed? I am just trying to envision in my mind why all these things cost so much money and we just keep adding on and are we ever going to catch up? Surely there's somebody that can say this is the program that we need and it will take care of our needs for the next 15 years so all the money we save can go in to taking care of the people that need the help.

Ms. Witham: (1.14.57 - 1.15.32) That is the hope for our Department as well. Some of the complexities to the system is what's adding on to the expenses. This modernization project will actually make it a lot easier for individuals to find the services that they need. They can apply on line, it will speed the ability to determine eligibility so there will be benefits to our clients once this is in place.

Senator Mathern: Let's assume all of these reasons make sense for changing the dollar amount and the timing. What would happen if we took the MMIS, the original estimate the original timeframe and applied the actuals to this in terms of guessing closer what might happen to this?

Ms. Witham: I do believe that what has impacted the MMIS is also impacting some of the changes with this eligibility system project which is the changing of the rules and requirements that these systems are under. I know that the MMIS system project has had several large federal changes that had to be incorporated and the additional time and

expense associated with this project also has to do with the requirements of the Affordable Care Act in trying to make sure we are compliant with the federal regulations.

Senator Mathern: had more questions concerning the outcome of this program.

Ms. Witham: I do believe that is what ITD did, and in the first year since we've gotten the funding to support those they did a detailed analysis and a view of what the integration is going to take and it was the result of that estimate, that is the reason why I am bringing you this schedule. More discussion followed regarding this issue.

Senator Robinson : (1.19.00 - 1.41.07) Refresh us so we have a better understanding, are their other states going down this road, what experiences are they having? This is complex, there must be other situations that we can learn from?

Ms. Witham: Yes we are doing that. On this project.19, all states are embarking in terms of modernizing their Medicaid systems in order to work with state based exchange or their federally facilitated exchange for health care and their Affordable care Act. There was an opportunity for states if they were interested to receive 100% federal funds incentive program, in which they would lead the other states in looking at ways to do this. There were about 5 states that took up that charge. They are posting out to a share dated structure which is called CALTS which all states have access to. This would be different services and service catalogs, business rules that can be reused by other states, and so we are working with them.

Senator Robinson: Are those states going through the same roll out, delays, postponements? We started way before the Affordable Care Act was on the table but I know we hear that much of it is tied to the changes on the federal level but there must be other complications that are also delaying it above and beyond that.

Ms. Witham: (1.21.15 - 1.30.03) I do want to make sure, they are both large Medicaid projects. The Eligibility System Modernization Project is working on the front end, eligibility determination functions. The MMIS system, once someone is found eligible gets enrolled into Medicaid and then they have their claims paid on their behalf. So two different projects, MMIS has been moving, we are starting provider program in April, we are looking forward to have that project completed. The Eligibility Modernization Project, we received the funding for that during the special session last year and we have been working on that detailed analysis and projecting what it's going to take to complete it. It will be an integrated eligibility system which will include not only Medicaid but then support for TANNIF, SNAP, Low income heating, and energy assistance as well as child care. (1.22.35) It has been a stretch of the state's resources in order to meet these requirements. Just to finalize there's an attachment, because I wanted to draw your attention to it, it's not contained in my testimony because we provided it on the House side, we felt we also wanted to bring it to your attention. And so the other two remaining components, the IBMB and the RESPACE, those increase in costs are related to the increase and the length of the schedule going out another 18 months. (1.23.17) She returned to page 2 of the testimony.

Vice Chairman Bowman: had more questions regarding when this will all get completed and commented again about the people not getting the assistance they need. Do you

coordinate with other states and let the federal government know every time that they change we have to change our computers what the actual cost of what that change is?

Ms. Witham: (1.31.41 - 1.32.25) The CMS the Centers for Medicare and Medicaid Services is aware of what the burden it is on the states and that is why they provide the Enhanced Funding Match, so for the CMS systems we can leverage a 90/10 match so it is costing the state 10% of the system replacement costs and it is a benefit to the states to modernize our systems so we can work with other systems. I know it doesn't seem tangible on the outside but they actually do improve patient services ultimately in the end.

Senator Kilzer: (1.32.25 - 1.36.38) You mentioned provider eligibility next month. He was told the system will be available in April. He then asked if the hospitals and clinics are ready for this. He was told they will have 6 months to complete their enrollment, and we will work with them, training them. He was told the Department has E-Learning modules that they can do at their desks, there may be times when there will be face to face training also. The e modules are quite successful and will include continuing education. He also asked if everyone, including county welfare workers, will be up with the system by fall and was informed there will be training for them and that they will try to get it all up and running by fall but not everyone will be doing it immediately.

Senator Wanzek: I am kind of sharing Senator Bowman's frustration and the amount of money we are spending on technology. I run a farming operation and it seems whenever we buy a new piece of machinery, it is difficult to see the efficiencies we gain by that new technology, the productivity goes up, is that what I hear you are saying actually those dollars are being offset by efficiencies elsewhere in the Department?

Ms. Witham: (1.37.29 - 1.38.43) Yes we hope that the new systems are providing efficiencies and seeing savings in other areas. I do think that some of the newer changes to our systems are actually making it easier for providers to look at their claims, to look at why they are being denied the cash-flow effects that it has on the provider community should be improved rather than the way we do it today where they don't have an insight as to the status of their claim. Clients that can go on line and apply for services and understand what services they qualify for, I do believe they are creating a more open transparent view of the services that we provide at DHS. Another thing to say is our current MMIS system is over 30 years old, so some of these systems are in dire need of being replaced and the electronic health record system that was requested. the State Hospital system is very outdated, and it is very difficult for the State Hospital to stay up with it's federal regulations and accreditations with the age of that system so some of these requests for IT systems replacements are just necessary because of how outdated the old systems truly are.

Senator Wanzek: With all the technology issues, is the vendor accountable for some of the added costs? Are there any promises that they haven't been able to keep and do we hold them accountable if that's the case?

Ms. Witham: With the MMIS system, we are contracted with Zerox, and for all the delays we have had they have covered the costs of those delays and we have been holding them accountable. **A recess was taken at this time.**

A 20 minute break was taken at this time. Hearing reconvened at 10:40 am.

New Job # 19685 (00.00 - 45.17) 10:40 am Economic Assistance and Child Support Division

Vice Chairman Bowman reopened the hearing on HB 1012.

Carol Cartledge, Director Economic Assistance Policy Division of the DHS (1.45 - 6.15) testified in favor of HB 1012 and provided written Testimony attached # 4 which is an overview of the Economic Assistance program area.

Vice Chairman Bowman: asked if the Department is seeing a reduction on costs per house in the LIHEAP program because of all the insulation we have installed through the years.

Ms. Cartledge: We are seeing a reduction in individuals that who qualify for the program and also a reduction in the cost. It may or may not be attributed to the weatherization and replacement of furnaces. It also is due to the fuels used in ND and our milder winters. (7.24) she continued with her written testimony on page 3.

Senator Warner: (9.17) asked if the smaller vendors and farmer's markets are able to use debit cards with SNAP. He was told yes, they were encouraging them to use that card and has offered to buy that equipment to utilize that for them. He also asked if cell phones can be equipped to be used as a card slide as well. He was told not at this time.

Ms. Cartledge:.(12.49 - 14.41) continued her testimony on page 4 of her testimony. She continued on with the Budget changes from the Current Budget to the Executive Budget - page 4- 6.

Senator Wanzek: How do you determine how much of the salaries come from general funds, other funds, or federal funds?

Ms. Cartledge: The federal funds have so much of a requirement of the general funds may be used for administrative costs and then there is always a portion of general funds that would be part of that equation.

Senator Kilzer: On page 5, payouts for 9 employees expected to retire, is that unused vacation and sick leave or is it for something else?

Ms. Cartledge: (15.54 - 18.48) It is a combination of the unused sick leave and annual leave that would not been paid out by that time. She continued her testimony. No changes were made in the House in the Economic Assistance Policy Division.

Jim Fleming, Director of the Child Support Division of the DHS (21.30 - 33.54) testified in favor of HB 1012 and provided written Testimony attached # 5 which provides an overview of the child support program for the Department. He stated they are actually getting money to families with hopes that they will not to depend on public assistance. (27.04) he continued with his testimony on page 5. What that number means despite the media report, 75% is collected on time and in full. We are the envy of every state. We don't

throw names like "deadbeats" around because our parents are taking their responsibilities seriously. He continued with his testimony on page 8. We have to hire a private person to serve papers on the reservation because the local sheriff usually is not able to deliver those papers. There were no House changes to the Child Support area of the budget.

Senator Robinson: Expressed his thanks on the part of one of his constituents who had some issues because of the records and reporting, his credit score had been impacted and I appreciate your promptness of getting on top of it. These folks are really relieved and feel good about the interaction with your agency.

Senator Wanzek: had questions about the salaries and compensations. He was told by Chairman Holmberg that is already addressed in the overall budget.

Senator Warner: asked if all of your court hearings are done in civil courts and he was told yes. Senator Warner then asked what happens when children are institutionalized and if there is still an obligation of support. He was told yes it continues unless it becomes a foster care situation. Senator Warner also asked to what age does it terminate and he was told to at least 18 years old some cases 19 if the child is still in school and still residing with the custodial parent.

Senator Mathern: (36.57 - 39.56) stated he would echo Senator Robinson 's comments about your help and that your program is very helpful, but also had questions if we had anything that gives information regarding child support obligations at the time of a marriage to someone who has a former marriage and is paying child support. He was told no. that the Department is not allowed to share any type of information regarding child support payments, etc.

Senator Kilzer: In the changing of the focus leaving out the word enforcement, is that going to require changes in your FTE's?

Mr. Fleming: No, the enforcement label has been outdated a long time. Now that we have 75% currently is being paid the question is Why are the other 25% being collected? A lot of times it's because somebody lost a job and what they were able to acquire from new employment didn't pay the same rate so they can't afford the obligation. In that situation we will file motions to reduce the obligation to really what the current income should be. Our hope that it is a wash in terms of the staff time. By proactively putting time in the front end to reduce the obligation, we'll save case worker time trying to collect essentially what's uncollectable. We're prepared to try this and do what we can with the existing FTE's. We've got enough employees to do the collections and I don't see us asking for an increase either.

Senator Kilzer: (41.31- 41.50) You mentioned your return on the investment is about $6.00 for every $1.00 spent. What is it when you have to hire private people to go to tribes and things?

Mr. Fleming: We don't capture that data. It's a service that we are required to provide whether it's going to return the investment or not. As we are able to go into tribal court, there are many obligors who work for the tribe itself who work for tribal casinos who have

historically evaded any collection at all despite our time and now we are starting to see a return on our investments. I don't think the tribal cases would be at the 663 level but I do think we are making good use of time and money to bring in much more than is collected.

Chairman Holmberg: Is there anyone else wishing to testify? There was no one wishing to testify at this time. We are not totally separate, the House does their things, the Senate does their things, and things leak over to us after they have done something on a bill. I have been told by two people there were two areas of this bill that were reduced that really we can't reduce, they never said what they were. Are you aware of anything like that and are those areas in sections that we have already covered in the budget today?

Ms. Anderson: (44.07) I know one of the areas and perhaps both of them are related to the reductions in the medical services operating area, having to do with program integrity, so I'll cover them tomorrow afternoon when I go through the medical grants.

Chairman Holmberg: Thanked the Department for this morning, stated it went very smooth and closed the hearing on HB 1012.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 - 2:00 pm
03-11-2013
Job # ~~19772~~ 19722

☐ Conference Committee

Committee Clerk Signature	Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation for Department of Human Services (DHS) DD Council, Aging Services and Public Comment.

Minutes: See attached testimony - #6 through #13

Vice Chairman Bowman reopened the hearing on HB 1012 at 2:00 pm on Monday, March 11, 2013. All committee members were present except Chairman Holmberg. Becky J. Keller from Legislative Council and Lori Laschkewitsch from OMB were also present.

Mara Solberg, District 27, (.32 - 3.30) I am a citizen here today to voice my concerns I have concerning the testimony I heard this morning on HB 1012 and talking about the software updates and the expense of them. When I think of software updates for the Human Services program I think about my sister who was abused, and I would go to her home and many times I could get on my computer to access information and help from the DHS. I hope we can continue to look forward in technology, it is very important. If my husband came home, and I stated I wanted a microwave oven, and he commented that I have an oven already, I still would like a microwave oven. It's like updating software is the microwave of the kitchen. It works much more efficiently. I think more technological education for our young people is extremely important and I am very thankful to Human Services because they helped my sister, they helped me and my friends a lot because of their accessibility and their willingness to help us. I am grateful and thankful for listening to me.

Cheryl Hess, Executive Director of the ND State Council on Developmental Disabilities (4.30 - 9.40) testified in favor of HB 1012 and provided written Testimony attached # 6 which is an overview of the Council's budget request. (Testimonies 1 - 5 are filed in minutes from the 8:30 a.m. hearing for DHS) There were no House changes to the DD Council area of the budget.

Senator Kilzer: Did you have any OARS request? He was told no.

Senator Mathern: The decrease in the budget is because of the fact you are able to do this internally rather than outsource this work. How will you be able to do the work with the

decrease of the funds? I am trying to figure out how you feel you can save money from going to a contract to internally if there's still work to be done.

Deborah Theisen, Liaison Accountant for DD Council for DHS. There was a council director before Cheryl that had intended to have a contract person do some monitoring of the contracts and possibly some other items that were addressed in terms of audit, and that is something that since then has been worked out, so the work load that would have been for that contract person has been decreased and that is how it can be absorbed.

Jan Engan, Director of the Aging Services Division for DHS (14.10 - 28.03) testified in favor of HB 1012 and provided written Testimony attached # 7 which is an overview of the Aging Services Division for the DHS.

Senator Robinson : Do you have more recent information regarding the Graying of North Dakota brochure, which outlines the aging demographic? This goes back to 2008.

Ms. Engan: (29.14 - 35.04) The Graying of ND is dated. The most recent that we have is December 2010. She was asked to provide that information and confirmed she would provide that information to the committee. She continued her testimony.

Vice Chairman Bowman The $1M loss from the House changes, what will be affected by that?

Ms. Engan: (35.40 - 40.30) That was basically the dollars that were put into the budget for guardianship services. She continued her testimony on page 10.

Senator Mathern: You noted the cost of mandatory reporting will not be reduced even though we reduced the number of reporters. Why wouldn't that translate into fewer reports?

Ms. Engan: (41.12 - 41.54) The rational for that is that currently for those that were taken out of being mandatory reporters, primarily like financial institutions, clergy and attorneys, we don't really receive reports from them at this time. Most of our reports come in from the community, it could be county social services, medical services, or family or even individuals so those people that were removed currently aren't reporting.

Senator Mathern: If it's those folks, and they already reporting, what are doing with the reports. I am talking about your experience says it's family members, social workers, other folks that are making reports, but you are saying we need this many more staff if this bill goes through. So if those people are already reporting, and these will be the people who make the reports when it's mandatory, you must not need the staff or you must not be providing services.

Ms. Engan: (43.09 - 45.06) Those folks are reporting. She then explained the process the Department goes through regarding the reports they have and how they proceed. She stated during a 4 month period there were 316 reports and now, from Jan 1, 2013 through the middle of March there were 504, so that is a significant increase. She stated the APS workers are carrying a large case load.

Senator Mathern: So you are saying with the passage of SB 2323 you will increase the cases or increase the amount of work that you are doing on each case that is already being reported. He also asked who will be sending in these reports and if some people are not reporting abuse.

Ms. Engan: No, I believe with the passage of mandatory reporting we will get more intakes. And that will go to the next step which is the investigation so the workload will increase. I also believe abuse to the elderly is under reported and national statistics support that.

Ms. Anderson: (46.18 - 47.22) The discussion we had in the department with the amendments that happened on the floor, let's say the 4 of you were in the original bill as mandatory reporters, and you are all involved with me, whether you be my financial advisor, clergy, attorney, and two of you are removed because of the amendments on the floor on SB 2323 but the other two are still involved in my life, and know that I am being neglected or abused, so I am still one person that needs a report on me even though 2 of you are no longer mandatory reporters. So it doesn't reduce the number of vulnerable people that may need to be reported on their behalf. The amendments do not reduce the number of people that may be in a vulnerable situation.

Senator Robinson: Talk to us where we are in adult protective services in this budget and will it be addressed at some point.

Ms. Engan: (48.22 - 49.00) The funding is provided through our Title IIIB and Title IIV dollars which are Older American Act funds would show up in the Human Service Center budgets. It was confirmed that issue will be addressed at another hearing for HB 1012.

Senator Wanzek: What was the thinking of the House regarding the guardianships?

Ms. Engan: (49.33 - 56.04) I could only guess. She submitted Testimony attached # 8- which is a chart of Report, Assess/ Evaluate/ Protect concerning Adult Protective Services. The second chart, Testimony attached # 9, which explains HB 1040 and Engrossed HB 1041. The last column is the Engrossed HB 1012- The DHS appropriations.

Senator Kilzer: On the ADRL funding was that a one- time funding done in 2009 that is not being renewed and how much was it?

Ms. Engan: (56.20 - 57.20) That was a Demonstration Grant, all 50 states had the opportunity to apply, and it was a 3 year grant. It was about $600,000.

Vice Chairman Bowman: asked for public comment.

Pat Hansen, Executive Director of South Central Adult Services in Valley City, also a member of the ND Senior Service Providers (1.00.00-1.04.00) provided written Testimony attached # 10. Her testimony requests an increase funding for meals in HB 1012 by the $928,082 needed to reimburse the $4.00 unit rate for all meals serviced statewide. She also submitted the brochure "Feeding Grandma" Testimony attached # 11. She stated it will be impossible to continue to do this another year and they need the support from you.

Vice Chairman Bowman: I thought we increased it last session.

Ms. Hansen: (1.04.06- 1.05.03) We were here requesting additional funding for transit. We are grateful for the amount in the governor's budget for this portion of HB 1012. Barnes County is doing better because there is a bigger population and we have a higher mill levy, but when I get down to McIntosh, Emmons, Logan & LaMoure Counties they cannot meet the need and need help financially. Many of them are the elderly people themselves running the senior centers and they do bake sales and quilt sales to pay their utility bills so they can't continue to do that forever.

Senator Robinson: I would like another copy of "Feeding Grandma". Just for the record our Chairman was referencing a report regarding this very issue. Although this project is expensive, the option of not doing this would be far more expensive. If many of these folks enter the long term care, the cost it would be and then we'd see the impact on the rural communities, you will all but empty out some of those smaller towns. That is what we are dealing with here. We need to do something in this area. These figures are real, Pat runs a very large program, most rural and some counties in the state with the highest older American population in the state.

Ms. Hansen: confirmed that some of those counties are the highest in the nation for population of the elderly. McIntosh is the 2nd in the country.

Vice Chairman Bowman: With the county mill levy, is that flexible? We voted to increase our mills at the county level.

Ms. Hansen: The legislature allowed us to levy 2 mills. But these counties are already using those mills and still need help.

Senator Robinson: It is an eye opener. Some of these folks meet you at the door and they are happy to see you. Without this service they would not be in their homes. There will come a point and time when they will have to leave their homes, but in the interim we are providing a lot of services for these people so they can stay in their homes or apartments.

Marlowe Kro, testifying on behalf of Josh Askvig, Associate State Director of Advocacy for AARP ND. And provided written Testimony # 12. We stand in support of the elderly nutrition programs funding in the Aging Services Budget request.

Vice Chairman Bowman: closed the hearing on HB 1012.

Written Testimony attached # 13 was submitted in support of HB 1012, **Creating a Hunger Free ND** which is a statewide network of organizations, agencies and individuals established to collectively identify and address unmet food and hunger needs for the aging.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 - 8:30 am
March 12, 2013
Job # 19769

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; Children & Family Services; Mental Health/ Substance Abuse; Vocational Rehabilitation.

Minutes: Testimony attached # 14 - 30

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch
Chairman Holmberg re-opened the hearing on HB 1012. Roll call was taken. All committee members were present.

Children & Family Services -
Shari Doe, Director, Children & Family Services Division, Department of Human Services
Testified in favor of HB 1012.
Testimony attached # 14

(10:12) **Senator Warner**: Could you address any special issues with Indian placement - with recruitment of Indian foster families and working with the tribes. Any special concerns that we should be aware of?

Shari Doe: Native American children are over-represented in the foster care system when you look at the number proportionately to the number of white children in foster care. We have been working with families. In family team decision making, there's a special grant that was awarded to the counties and the project to work specifically with Native American families in the family decision making process which is way to really pull out the family members that can come together and support the child and avoid a foster care placement. It continues to be a concern. One of the issues we have is recruiting Native American foster families.

Senator Warner: Is there something outside of poverty which is a limiting factor in the placement? Is it because you are finding too many families in poverty on the reservation?

Shari Doe: The issues that are relevant to placing children whatever nationality you come from are domestic violence and substance abuse. Those are the two leading factors why children are being removed from the home.

Senator Robinson: On page four, you referenced the number of children in foster care in September 2012 versus a year ago. The number of placements was down, and you said it's difficult to find foster care homes; do we also have a reduction in the number of children available for placement? Do we have children waiting to be placed and there's no place to put them?

Shari Doe: If a child needs to be placed, they are placed. We don't have a waiting list for placing them in foster care. We have a shortage of family foster homes. One of the problems in ND is we end up using group facilities far more than we should.

Senator Robinson: Are the numbers in group facilities up?

Shari Doe: The number of group placements is up. Group placements have remained steady with a slight decrease. What's happening with foster care numbers because in Burleigh County we saw big numbers in foster care placements, but couldn't understand why we are seeing a decrease in the state? There are pockets in the state where we are seeing increases. Some counties have doubled the number of children in foster case. Overall, the good news is that we're leveling off and going down. The social workers on call would ask 'where do we put the kids?' The homes are all full. Some counties are setting up emergency foster homes so when they get a call, they have a place available. They are working on it county wide and state wide.

(22:46) **Senator Warner**: I was involved in the periphery of the first assessment, and I know they want to keep the child in the family with rapid dissolution of cases. Do you have any thoughts on the validity of the assessment tool? I think it's the second assessment that no state has ever passed.

Shari Doe: Of course it's valid. It's a way the federal government has decided to assess and look at the work being done in child welfare in the United States. They're doing it and replicating it. One of the reasons that no state passes is because the benchmarks are so high. You have to meet it 99% of the time which is very difficult. Even 95% is high, but the federal people I have talked to said 'We're talking about children here.' There do seem to be some inconsistencies, but we do have specific timelines that we have to follow to keep kids, to establish their permanency. We do everything we can to try and unite the child and their family.

(32:28) **Chairman Holmberg**: Could you identify that county? Answer: Ramsey.

Senator Mathern: What are the reasons for the 50 children being placed out of ND?

Shari Doe: The facilities in ND are not always equipped to deal with some of the children we have to send out of state. They are children with serious emotional issues. We don't have the treatment facilities in ND.

Senator Mathern: What is the diagnosis or treatment need for those children that the providers in ND are not meeting?

(33:51) **Dean Stern, Foster Care Administrator, Children & Family Services Division, Dept. of Human Services**
The primary reason we are sending children out of state has to do with the type of issues that the children are presenting with. If I had to give a single profile of the types of children that are going out of state would be kids that are extremely sexually aggressive and/or physically aggressive. Kids who are borderline IQ who are not qualifying to receive DD services and younger children too because we don't have facility placements for the younger children Diagnosis for these children are victims of abuse and neglect, a lot of anxiety, a lot of PTSD, depression, developmental type disorders too.

Senator Robinson: Where are they being sent? Any one state or a variety of states?

Dean Stern: We have established relationships with facilities in different states who meet the standards who are eligible for payment, who we have checked out that are IV-E eligible and who are also eligible to receive Medicaid dollars. Primarily, we're trying to use facilities in MN and some in SD. We try to keep them as close to home as possible to facilitate visitation; to facilitate case worker visitations, sibling contact, family contact, etc. They do go as far as Utah.

Senator Robinson: Any of these challenges the children are dealing with able to be treated? Are they permanent long term? Or are there opportunities for therapy and treatment for any of them?

Dean Stern: I'd like to think every child deserves a chance to be treated and there are always attempts made to provide therapy to these children. Certainly some of these children are going to have lifelong issues in dealing with what they have experienced.

Senator Kilzer: (for Shari) On the top of page three of her testimony, she talks about 3,761 assessments. Does this mean that many children or is there some duplication here?

Shari Doe: Those are children. Each assessment reflects a child.

Senator Carlisle: When they send a child out of state, is it a daily rate and if so, how much is it?

Shari Doe: It's a daily rate. They range from over $200/day in some facilities. Some of the placements are $10,000-12,000/month.

Senator Robinson: The 50 we have placed, do we participate with any other state in terms of receiving some of their children that will fit within our treatment programs - or not.

Dean Stern: We have some facilities that are privately owned and run who do accept placements from other states. I don't think that is hindering our ability to put children into those facilities because we do have vacancy rates at our RCCF level.

Senator Kilzer: One example is Home on the Range which has children from MT. What is Chaffee Independent Living?

Shari Doe: It's a foster care funded federal program that is established for kids 16-18 who are getting ready to "age out" of foster care. It's a way to prepare them financially, educationally, so that when they reach age 18 and move on, they have some life skills that they can take with them.

Senator Erbele: On top of page three, child abuse and neglect, on talking about the assessments - When you do the assessments, are those 3,761 actual cases of abuse and neglect or do you, in the assessments line, that some of them in fact were not abused and neglected.

Shari Doe: Of course. Of those assessments, there are probably less than 30% that are what we call 'services required', but that doesn't mean there aren't some issues with the family, but they don't rise to the level of being required. About 700-800 out of 3,000.

Senator Wanzek: The reason why the House would remove $205,000 for post adoptive services, can you give an explanation? **Maggie Anderson** said it was an optional adjustment request that was not funded and I believe they removed it because it was some new funding.

(43:19) **Janell Regimbal, Senior Vice President, Lutheran Social Services of North Dakota**
Testified in favor of HB 1012.
Testimony attached # 15

(50:42) **Senator Warner**: This is a voluntary program. Could you discuss marketing - how do you recruit families for this program? Are these people already in the social service programs at some other level?

Janell Regimbal: Our services are marketed somewhat based on the community that we're in. For example, in Grand Forks and Nelson County, the majority of our referrals come directly from our health care providers, Altru and Sanford. When families pre-register for the birthing experience, they're told about our program because ideally, we want our families to be involved prenatally rather than waiting for the birth of their child. Because we are a primary prevention program, we begin prenatally and up to 2 weeks post-birth. That's the window of time that families get involved in our program. We have families that hear about Healthy Families from other families and they can self-refer to our program. They may be referred by county social services or other agencies that might be providing them some kind of support. We also use the Kemp Family Stress check list that is something that helps us ferret out who is at high risk. It looks at things like domestic violence at home, if the parent is unmarried or if they were an abuse victim themself as a child, their education level, and substance abuse, all those types of things enter in and would cause somebody to screen into receiving our on-going home visitation services.

Senator Mathern: What are the three things that we could do to eliminate child abuse?

Janell Regimbal: If we had to identify three, I'd look at making sure all parents had an adequate support system - and I don't mean agencies. Ideally, when a new child enters a family, there should be a myriad of support systems around that young family. In today's generation, it's not always that they have extended families nearby that can offer that support. Secondly, having adequate resources for substance abuse and mental health is extremely important. Those are great contributing factors in providing stressors on families and limiting a parent's ability to parent at times. One of our great strengths is that we're a home visitation program and in the home environment on a regular basis. Thirdly, to expand primary prevention efforts. Our state is one of the lowest in the nation in the amount of resources we put into primary prevention like this home visitation program. We follow standards that are set for a credentialed program so it's been replicated time and again in other places. It eventually helps to get at some of the issues - like child placement out of state.

Mental Health/Substance Abuse -

(58:20) **JoAnne Hoesel, Director, Division of Mental Health and Substance Abuse Services**
Testified in favor of HB 1012.
Testimony attached # 16

(1:03:03) **V.Chairman Bowman**: The primary drugs of addiction, and you mentioned marijuana. How come states are now legalizing it? Why would you legalize something that is addictive and then have to have people take care of addicted people?

JoAnne Hoesel: That topic has much conversation across the country. It's similar to the fact that alcohol is also an addictive drug as well and is legal in all fifty states. From an addiction perspective, there are many examples of individuals that certainly get into trouble because of their marijuana use. It is an important public policy decisions and it's important for people to know all the ramifications when those kinds of decisions are made.

(1:17:44) **Senator Warner**: TBI is most characteristic wound coming out of the current wars. Is there something that we could be doing or something the state could be doing which would lever a greater federal presence in bringing resources to the veteran's we have here?

JoAnne Hoesel: We partner with the National Guard and the Veterans Administration. Currently there are some opportunities to bring additional resources into the state for planning purposes. I know the National Guard is seriously looking at doing that. We would partner with them. It varies a great deal in what is available to leverage. I'm not aware of anything at this time.

Senator Warner: We know we have different veteran's organizations, such as National Guard and we have you guys which is mental health. Which is the appropriate lead agency?

JoAnne Hoesel: Even within the Depart. of Human Services, it can fall to different divisions so we have identified a lead within the department. The important thing is to collaborate

because people come in to seek services in different areas. Some of the veterans choose not to access some of the services that are available through the veterans' services just for fear of what that might do to their standing. We do see some impact at the human service centers. There needs to be a partnership which is more important than who is the lead.

(1:27:52) **Senator Mathern**: I asked Legislative Council to prepare a memo indicating what the cuts were in mental health services that the House made to this budget. Their memo indicates $3.6M. The House changes here seem a lot less in terms of your testimony. I will share that memo with the rest of the committee members.

Becky J. Keller: We also included reductions in funding for operating for the state hospital and reduction in funding for human service centers because they relate to mental health and substance abuse too.

Chairman Holmberg: Your number is just for this division? **Becky**: That is correct.

JoAnne Hoesel: (to **Senator Mathern**) Your number is for the whole department.

(1:30:07) **Carlotta McLeary, Executive Director, ND Federation of Families for Children's Mental Health (NDFFCMH)**
Testified in favor of HB 1012.
Testimony attached # 17

Additional testimony from a parent:
Jane Gillig Hoekstra, Bismarck, ND
Testimony attached # 18

(1:34:37) **Rebecca Quinn, TBI Program Director, Center for Rural Health, UND School of Medicine and Health Sciences.**
Testified in favor of HB 1012.
Testimony attached # 19

(1:47:20) **Hannah Anderson, Leeds, ND**
Testified in favor of HB 1012.
Testimony attached # 20

(1:51:34) **Christine Hogan, Attorney, Protection & Advocacy Project**
Testified in favor of HB 1012.
Testimony attached # 21.

(1:52:20) **Tom Eide, CFO, Prairie St. John's Hospital, Fargo, ND**
Testified in favor of HB 1012
No written testimony.

Prairie St. John's is a privately held hospital in Fargo, ND which has psychiatric care with 91 acute beds, 48 residential beds and serve people in their day programs that number from 60-90 patients. We have clinics, evening programs for chemical dependency, mental health, etc. I'm here in support of the Human Services budget because we need all of the

care available to us. In mental health, we focus on the safety of the patient; suicidal, homicidal people who need to be admitted to an acute settings to stabilize them and then allowing them to go to other services. Therein lies some of the strengths we have, especially in the Fargo area, because we can offer all the levels of service. The step down process is very important. When someone stabilizes in an acute setting for a few days, maybe 5-10 days, now they can step down to day programs, evening programs, and they can build the skill sets they need to overcome the mental illness or chemical dependency issue.

At Prairie St. John's, we're an IMD. We're precluded from receiving federal Medicaid funds and so when ND Medicaid kicks in, it does not actually pay for the patients who come into our facility who are on those programs.

I'd like to talk about unfunded care and why the human services groups are so important. If you read a modern healthcare magazine today, you'll discover that 5% of a budget going to charity of unfunded care is considered to be a large number. At Prairie St. John's, because we're an IMD, because of the situation our economy is in right now, over 10% of our budget goes to unfunded patients - whether they be charity or collections that we simply can't make. I'm sure if you went into a grocery store and were told that one in every ten customers coming in wasn't going to pay for their product, it wouldn't be a very successful grocery store. This creates a very challenging environment. What makes it worse is that the insured population in our state continues to go down.

About 5 years ago, roughly half of our patients were on a commercial payer. They had Blue Cross ND, they had Medica, or some commercial payer that pays at a better rate. That number has now drifted below 40%. That means that patients are unfunded, but it also means that patients are coming under Medicare/Medicaid. It makes it difficult for us as a hospital to sustain our operations and all the hospitals in general around our state as they work to manage their budgets. I think that what the Human Services does is it helps to provide care for those groups. Our instate patients and outstate patients, our hospital serves about 50% North Dakotans, 50% Minnesotans and other residents. When adults come into our acute setting for care, and they're from MN, there is a one in twelve chance that they won't be funded. When a ND patient presents to our front door and needs acute care, there is a one in four chance that they do not have a program to pay for their services whether its Medicare, Medicaid or a commercial payer. That's a lot.

Right now, Human Services helps us. Last year included some funding that started to pay for some of their clients to come to our facility. We coordinate very strongly with our Human Services Dept. to get care for these patients. We bring someone into our facility, we stabilize them and then re-introduce them into the Human Services that are available in our communities whether that be in the Fargo area or other areas that we work with. This is really important if we're going to continue to serve this population. They need these wrap around services. A patient that comes in that is suicidal/homicidal, we have to take them in. We can stabilize them and get them to a point where they are not in that mindset anymore, but what happens then? If they have insurance, they can step through our services and we walk them through our day programs. Our success rate has proven that we can get them back into society and functional. When you take someone, stabilize them and put them back into the community with no services, the number of things that can go wrong are many and concerning.

I would encourage you to reconsider the cuts that were made by the House. Provide the support so our Human Services have what they need in order to maintain the wrap-around

care and grow that wrap-around care with the growing mental health and chemical dependency issues that are growing in our state.

(1:58:03) **Elaine Grasel, Bismarck, ND**
Testified in favor of HB 1012.
No written testimony.

I am here in support of continued funding under 1012 which benefits those who have Traumatic Brain Injury (TBI) and their families. TBI, sometime ago, was named an invisible epidemic. In years past, TBI, was most likely perceived as a hugely incapacitating physical disability - as it can be, but just think of each person, each brain, though having great similarities, each unique unto itself. So too, are brain injuries. Lying hidden within one's skull, injuries are evidenced by a variety of symptoms which present a variety of needs - pathways for assistance. Whether it is for total and complete care that a childhood neighbor of mine required after having been in a vehicular accident or the kid hurt in a snow mobile or ATV accident who has trouble in school or the elderly person who has a fall and is now completely confused, there is a need for assistance for families to learn to navigate in a world where a person is the same, yet can be strangely unfamiliar (vague or impulsive, or angry or disorganized or forgetful... This person needs timely help, yet time to recover to the greatest extent. Time, though from different views is in both cases, essential.

There is another kind of "invisibility". People can feel invisible in today's society - that there needs are invisible and most of all that their day to day struggles are invisible. They are all people. All of us can be affected. Disability happens in a milli-second and it can happen to any one of us. Which of us only wants to be seen only for a different way of talking, a different way of walking, or a different way of acting? Who desires an "invisibilty" for a need for acceptance, love respect, support.... Society sometimes perceive differences and although differences are also a part of us, but misses out on the possibilities, strength, contributions in people who have disabilities, such as TBI. Awareness is a strange phenomenon - to those whose loved one has suffered, it arrives at a snail's pace. Hope grows with spurts of interest brought on from sports figures (NFL) or those who rise to celebrity status (Gabby Giffords). Technology brings glimpses of the future functions viewed and heard at miniscule levels. Great harm is caused through misjudgments and misunderstandings and old disproved or narrowly defined ideas. A person might learn to deal with an original disability - but carry in themselves forever in some dark corner, how someone wrongly defined them. A portrait of awareness will be when someone who has a disability, such as a TBI, the nature of the issue is recognized, and an individual is no longer harmed, held back, discriminated against or held to low expectations, but there is a balance of the view of achievement based on individual ability and strengths.

To begin, we need to recognize that these biases on the part of the community exists and we also need to recognize that disabilities, such as TBI, is a possibility and people get help first, not misjudgments. While we must use wisdom, the failure to understand the true nature of disabilities and the needs of others is on our shoulders as is the need to see who is right before us. Thank you.

Vocational Rehabilitation -

(2:03:40) **Nate Aalgaard, Freedom RCIL (Freedom Resource Center of Independent Living)**
Testified in favor of HB 1012
Testimony attached # 22.

(2:12:15) **John Johnson, Options IRCIL in Grand Forks (Independence Resource Center for Independent Living)**
Described how their organization can help people in the state with disabilities. People with disabilities should have every opportunity to be productive citizens.

Held up an ideal map that shows statewide coverage with Independent Living Centers.

(2:18:42) **Senator Carlisle**: We're going to be hearing the adjutant general's budget and they are well aware of young vets with disabilities, but we might be able to do something.

John Johnson: Anything you can do to help us would be appreciated.

(2:21:55) **Russell Cusack, Director of Vocational Rehabilitation, DHS**
Testified in favor of HB 1012
Testimony attached # 23

(2:32:54) **Chairman Holmberg**: Do you have any angst over what the House did regarding your specific agency?

Russell Cusack: I have no angst.

Vickay Gross, Disabilities Advocate for the Protection and Advocacy Project
Testified in favor of HB 1012.
Testimony attached # 24

Barbara Murry, Executive Director, ND Assoc. of Community Providers
Testified in favor of HB 1012
Testimony attached # 25

Testimony submitted later:
Barbara Murry, Executive Director, ND Assoc. of Community Providers
Testimony attached # 25 A

(2:40:00) Chairman Holmberg asked about the OARs - which were funded and which were not. **Debbie McDermott (**DHS financial officer) said the OARs being presented now are in Maggie's testimony, attachment E on line 8 & 9.

The Older Blind Program -
(2:41:27) **Allan Peterson, Co-Legislative Liason, ND Association of the Blind (NDAB)**
Testified in favor of HB 1012
Testimony attached # 26.
Testimony attached # 27 - North Dakota Association of the Blind Resolution 2012-01
Testimony attached # 28 - Facts about ND Vocational Rehabilitation's Older Blind Program

(2:48:16) **Zelda Gebhard, Co-Legislative Liaison, NDAB, Edgeley, ND**
Testified in favor of HB 1012
Testimony attached # 29

Additional Testimony:
Dianne L. Giessinger, Vision Rehabilitation Specialist
Testimony attached # 30

Chairman Holmberg said the current budget has $61,000 for purchasing of devices and the House added $50,000 to that. Secondly, we asked Legislative Council to give us a rundown of how many studies we will be funding at crossover. It's $6.8M worth of studies that have been passed through one house and are currently in the other house.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 - 2:00 pm
March 12, 2013
Job #19805

☐ Conference Committee

Committee Clerk Signature	Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the Department of Human Services; Medical Services, Long Term Care Grants, Public Testimony.

Minutes: Testimony attached # 31 - 42

Vice Chairman Grindberg re-opened the hearing on HB 1012. All committee members were present.

Legislative Council: Becky J. Keller
OMB:

Medical Services -
Maggie Anderson, Director, Medical Services, DHS, provided an overview of the Traditional Medicaid and the Children's Health Insurance Programs, as well as the administrative costs of the Medical Services Division. **Written testimony #31**

(17:02) **Senator Carlisle**: In five years, it's more than doubled? Why?

Maggie Anderson: The chart is related to the prescription drugs that cost more than a thousand dollars. They are seeing the number of prescription that cost more than $1000 increasing. It's related to the actual cost of the research and development and all of the components that go into bringing a drug to market.

Senator Robinson: When we talk about a prescription, are you typically referring to a monthly prescription?

Maggie Anderson: These prescriptions are per year but she will confirm that for sure.

(20:16) **Senator Warner** speaking from a case management stand point is there a particular class of diseases or conditions which indicated the very high prescription costs. Does this equate back to a cost avoidance aspect?

Maggie Anderson: I can't give you a classification or diagnosis. There is a variety of diagnosis. As for the second question, absolutely, without the prescription drug coverage we would have either inpatient hospital expenses or outpatient hospital expenses.
(21:48)Maggie Anderson continued on the bottom of page 5 on January 1, 2013, Medicare Part D started covering benzodiazepines and barbiturates for dual eligible. The Department expects to see future increases to the Clawback payment to cover the cost of this change. Maggie continued into the Affordable Care Act (ACA). The executive budget includes $9.1million to cover the expected costs of "previously eligible" individuals. She continued on with her written testimony.

(47:18) **Senator Warner**: Do you have a competitive market in regard to out servicing a product such as CHIPS? Are you dealing with a signal company which offers a variety of options or are you dealing with a variety of companies.

Maggie Anderson: Both, we have companies with multiple product lines and some who have only one product line. She explained that they do have a competitive market in some of the areas.

(48:57) **Senator O'Connell**: Many dentists say they can't recover their costs when working with these clients. He asked if they had many dentists that are willing to do this.

Maggie Anderson: We have seen an increase in the number of clients that are accessing services. She said that they do have a good pool of dentists who provide services. There are some dentists that are not enrolled to accept Medicaid clients. Many of the Medicaid services are not reimbursing practitioners at costs.

She went on to explain the budget.

(54:13) **Vice Chairman Bowman**: When we see the increase in numbers, is that increasing the number of people using the system or costs going up?

Maggie Anderson: In the medical services area, the cost is related to the cost of services. It is also related to the inflationary increases. She explained that in this budget area, we can't control the cost of drugs. There are a variety of things that impact the budget.

Long Term Care - (57:24)
Shelly Peterson, Long Term Care Association introduced Greg Salwei.

Greg Salwei, Chairman, Chairman of the North Dakota Long Term Care Association and Administrator of Wishek Living Center in Wishek, testified in support of HB 1012. He testified in support of the four percent inflator provided in HB 1012, as well as asks for $1 wage/benefit passes through for all basic care and nursing facility staff. At this point HB 2012 contains a $.50 wage pass through. He also addressed the personal needs allowance (PNA) increase for basic care and nursing facility residents.
Written testimony # 32

(1:16:19) **Senator Mathern** asked if $1.00/hour raise was enough to solve this issue. Would a dollar really help keep your staff in Wishek?

Greg Salwei: said that sometimes he can retain that employee if he could offer that $1.00 per hour plus point out the benefits and retirement benefits.

Senator Warner: asked if agency expenses are put into a different cost category then salaries. He doesn't understand the mathematics of not being able to pay permanent staff enough and paying contract nurses more.

Greg Salwei: The fees we pay through staffing agency would go under direct care which is where nursing CNA staffing goes. He is paying $13.50 now but if he goes to $2. more per hour, he would pay her $15.50 to stay and if he used the agency he will be paying $30/hour. The more he has to pay for contract nursing, the more the nursing home costs go up.

Senator Warner: I was going to ask if there was policy to prevent you from making those decisions on your own.

Greg Salwei: There's nothing that restricts me. I gave two raises last spring and we're in the hole. I won't recoup until next January.

Senator Warner: It's a liquidity problem!

Senator Robinson: I thought your rates were ok and I am supportive of the $1/hour raise but we're just buying about a year's time.

Greg Salwei: We have to be realistic in our requests.

Vice Chairman Grindberg: The facility in Crosby has anyone said anything about using it for a daycare?

Shelley Peterson replied that she didn't know anything specific.

There was discussion on how the budget was put together and the upper payment limit issue. (1:23:40)

Kurt Stoner, Administrator, Bethel Lutheran Nursing and Rehabilitation Center, Williston, ND, testified in favor of HB 1012. He thanked the committee for allowing him to share about Bethel's challenges as a provider of Senior Care Services in the heart of the Bakken. He asked for their support of HB 1012. **Written testimony #33**

Vice Chairman Bowman asked if they had talked about what will happen after the boom with the mega building going on now. It could end rather rapidly.

Kurt Stoner: In the 1980s, it happened overnight, but they say this one will last longer.

Vice Chairman Bowman said that his concern was with the federal government and fracking.

Senator Carlisle asked if when the Kensington closed, if it wasn't filled with oil field workers.

Kurt Stoner said that he heard it sold and it was filling with oil workers.

Barbara Murry, Executive Director, North Dakota Association of Community Providers, was unable to attend the hearing but supplied **written testimony #34.**

Maggie Anderson, Director of Medical Services, Department of Human Services, provided an overview of the Long-Term Care Continuum budget. **Written testimony #35**

(1:40:40) **Vice Chairman Grindberg** asked what they attribute the downward trend in long term care?

Maggie Anderson replied that people are staying in their homes longer.

Maggie Anderson handed out the information requested by Senator Carlisle.
Written attachment # 36

Jerry E. Jurena, President, North Dakota Hospital Association (NDHA), testified in favor of HB 1012. **Written testimony #37**

Courtney Koebele, Executive Director ND Medical Association testified in favor of HB 1012. **Written testimony # 38**

Josh Askvig, Associate State Director of Advocacy for AARP North Dakota, testified in support of HB 1012. **Written testimony # 39**
Testimony attached # 40 - AARP Across the States…Profiles of Long-term services and supports.

(2:23:33) **Vice Chairman Bowman**: Will there be a time when we re-think how to take care of elderly people. In your organization, do you talk about the long term?

Josh Askvig: Yes, that's why you hear us keep harping about home based settings. In the administrative budget, there is a study on long term care in ND. Nationally, the overall federal budget is looking at how to help the aged grow older with dignity.

Darrold Bertsch, CEO of Sakakawea Medical Center, Hazen, ND, testified in support of HB 1012. **Written testimony #41**
Testimony attached # 42 -ND Critical Access Hospitals & Referral Centers

Vice Chairman Grindberg closed the hearing on HB 1012.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 - 8:30 am
03-13-13
Job # 19833

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation for the Department of Human Services (DHS) Developmentally Disability Administration & Developmental Disability Grants, Combined Overview of all Human Services Centers

Minutes: See attached testimony #43 -71

Chairman Holmberg called the committee to order on Wednesday, March 13, 2013 at 8:30 am in regards to HB 1012. Roll call was taken. All committee members were present. Becky J. Keller from Legislative Council and Lori Laschkewitsch from OMB were present.

Debra McDermott (3.24) provided Testimony attached # 43, this is a list of different bills that has an impact in our Department.

Senator Warner: Is the $90 per month structured into permanent salary increase so it's an ongoing obligation for us?

Ms. McDermott: This is a one-time funding source basically that was added in HB 1359 and It's an annual payment made to those provider based upon the FTE's that they have in their staff basically on January 1 of each year so the way that will work is the Department will work with the providers to determine the FTE's and then we will feed that information to the Department of Commerce and they will cut a check to each one of the providers for no more than $90.00 per FTE. **(4.09)**

Senator Warner: It is up to the providers to determine the distribution within their organizations and it can't be diverted to any other purpose than salaries, is that correct?

Ms. McDermott: The bill isn't specific, it is to be used in the 17 oil impact counties for those specific providers and the bill is not specific to what those dollars can be used for.

Tina Bay, Director of the Developmental Disabilities Division (DDD) (6.34 - 12.47) of the DHS testified in favor of HB 1012 and provided written Testimony attached # 44 which is an overview of the DDD.

Senator Mathern: We're getting these emails about $350,000 cuts to the Infant Development line item, what is that in here. Is that a combination of some of these things you were talking about? He was told that will be presented next in her testimony.

Tina Bay, Director of the DDD of the Department of DHS (14.24-20.45) testified in favor of HB 1012 and provided written Testimony attached # 45 which is overview of the long-Term Care Developmental Disability Grants Budget. See attachment A.

Vice Chairman Bowman: On transition from the State Hospital to the communities, when that takes place does the money follow where these patients go?

Ms. Bay: It is two different budgets so that money would stay over with the State Hospital or Developmental Center. The DD grants would have to be picked up by the community.

Senator Mathern (21.57) What is the Department's position on the House changes?

Ms.Bay: We felt the Executive budget adequately addressed the needs of the transitions and the folks coming out of high school graduations without those changes.

Senator Mathern: In all of the areas that you've covered today are you asking us to restore the House cuts? He was told yes.

Senator Warner: (22.06) Could we address the change in Section #8 of the bill adding language to require intermediate care facilities submit construction, what the Department is supposed to do with it after that? Do they just receive it and are they supposed to act on it in some way and are they empowered to make a determination If the construction goes ahead or not?

Ms. Bay: My understanding of that language was so that we could ensure that we are being responsible with the funds to make sure the size is appropriate for the number of consumers and that we also have the budget for the growth of those facilities.

Senator Warner: Are you empowered to stop construction projects?

Ms. Bay: Current regulations in our rules say we can license but we do not have to send referrals to people so what would happen is if a provider did build a facility and we could not fund it, we would not be able to send referrals to that facility.

Senator Wanzek: The 10 transitions from Developmental Centers and the State Hospital into the community would that be money that goes to like Progress Enterprises that helps people finding employment?

Ms. Bay: (23.00) Those transitions would go to our licensed providers that are willing, like Pride, Hit, those providers we work with to look for community placements for those consumers. Some of them do have employment services as well and that would also fund the day support for those clients which they would work.

Senator Wanzek: Asked what is an Adaptive Ski Program?

Maggie Anderson Interim Director of DHS: (24.07) The request came as an amendment and what was identified in the amendment is Annie's House up in the Bottineau area that is creating a program that's an a Adaptive Ski Program for children who have some type of disability who may not be able to enjoy the environment of skiing somewhere else where they don't have the adaptive equipment. This program would provide the supports and the equipment in an adaptive way. It would allow the children to enjoy skiing.

Chairman Holmberg: provided a copy of HB 1438 to the committee, Testimony attached # 46 and strongly suggested that the subcommittee take a strong look at what is in this bill. It deals with the educational programs for intellectually developmentally disabled people and this bill (1438) did not get attached to HB 1012 in the House. There is a **subcommittee Senator Kilzer, Chairman; Senators Lee, Erbele and Mathern. He then announced again the request for the subcommittee to take a strong look at HB 1438 and consider it as an addition to HB1012. (26.59)**

Barbara Murry, Executive Director of the ND Association of Community Providers (28.06-36.44) and provided written Testimony attached #47 which addresses the developmental disabilities section of the long term care continuum in HB 1012 and testified in favor of HB 1012. She referred to the handout with the turnover.

Sandi Marshall President of the ND Association of Community Providers (NDACP) and Chief Executive Officer of Development Homes (36.50-43.52) testified in favor of HB 1012 and provided written Testimony attached # 48.

Senator Wanzek: Asked what ICF-ID stands for.

Ms. Marshall: That is our term for Intermediate Care Facilities for persons with Intellectional and Developmental Disabilities. It is a type of group home and they range in size up to 4 to 8 individuals and they tend to serve the individuals in our system who have the highest needs. They are certified through the Department of Health as well. **(44.43)**

Senator Robinson: With the Grafton facility and the transition of several of the individuals from that facility to community settings across the state, how much difficulty have we had in finding an appropriate setting for some of these clients?

Ms. Marshall: **(45.22)** That is why we went to the project Development Team Model because we found the old way of placing people out of Grafton through having openings in group homes and hope there is a good match with someone at the Center. This is more intentional approach towards developing that community capacity for people. For example a provider agency may visit the Center, speak with the administrators thee, determine that they would like to propose a project to serve a certain group of people who might all live together right now, then the provider can plan a program specifically around the needs of that individual. It is a much more intentional focused way of providing for that community capacity and then proposing that project to the DHS for their final approval.

Senator Robinson Given your knowledge of the remaining individuals in Grafton, is it safe to assume because of their multiple challenges, that there will always be a need for a core

group of very fragile patients in the Grafton facility? There is a group that are really acute, that it's going to be very difficult to find community placement.

Ms. Marshall: (47.17) I believe that through our provider network, particularly in larger communities where there are more medical services and support services available that we are serving individuals who have equal as complex needs as the rest of the individuals living at the Center. In many ways it's a matter developing that community capacity. We have more difficulty in the western part of the state with providers who are struggling to keep their doors open because of the competition for staff and the high housing costs but in the part of the state that are not affected in that way, it's a matter of developing those specialized kinds of programs. We have a different relationship with the developmental centers than we had in the past, they don't live there for the rest of their lives, typically not seeing providers send people back to the Center, and we are developing more of that short term coverage relationship particularly for individuals who have never been served by a provider and lived at home all their lives, and reach a crisis point and need immediate crisis beds or opportunities in the community.

Jon Larson, Executive Director of Enable Inc. (49.10-54.56) testified in favor of HB 1012 and provided written Testimony attached # 49, also here today to testify on behalf of the **NDACP.** He is asking that the Senate appropriations Committee consider adding 3.0% to their fringe benefit allowance.

Senator Mathern: Has your organization ever considered cost comparisons? It seems like it is basically all state money and federal dollars running your organization.

Mr. Larson: Several years ago we did a study with PERS and the costs were far too high to participate.

Larry Bernhard (57.26-1.09.26) Executive Director of Catholic Charities North Dakota (CCND) (57.26-1.0.08) and presented written Testimony attached # 50 which includes Attachment A & B and is here to ask the committee to approve increased funding for corporate guardianship services for people with developmental disabilities as outlined in HB 1012.

Matt Schwartz, Father of a developmental disability child provided written Testimony attached # 51 and asking for adequate funding for care givers. **(1.09.26)**

Theresa Larsen, Executive Director of the Protection & Advocacy Project(P&A) **(1.10.20)** testifying in support of DHS budget in HB 1012 and provided written Testimony attached # 52. **Attached is the Proposed amendment to HB 1012** which would expand the department's autism spectrum disorder Medicaid waiver to cover forty-two additional individuals from birth through age 22 and to provide appropriate behavior intervention and treatment services.

Senator Kilzer: Do you have any idea what the fiscal note might look like on that amendment?

Chairman Holmberg: Asked Ms. Larsen to share that amendment with the Department of Human Services and also with the subcommittee, as they will need that information.

Carlotta McCleary, Executive Director of ND Federation of Families for Children's Mental Health (NDFFCMH) (1.14.00) which is a parent run advocacy organization that focuses on the needs of children and youth with emotional and mental disorders and their families from birth through transition to adulthood. Testimony attached # 53 they are in support of expanding the Department's autism spectrum disorder waiver to cover individuals from birth to 22.

Donene Feist, Director for Family Voices of ND (1.14.35 - 1.22.40) provided written Testimony attached # 54 here today to request an amendment to 1012 for the expansion of the Autism Waiver. We are in agreement with others on the request for an amendment. She also provided Testimony attached # 55- National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Findings from the 2009/10 NS-CSHCN & 2007 NSCH and Testimony attached # 56 - Abstract - Autism spectrum disorders and health care expenditures: the effects of co-occurring conditions.

Senator Carlisle (1.22.45) Asked what an autism waiver is.

Ms. Feist: Many times those families will need in-home support or respite care. They may need assistive technology to support their child. It also provides access to the state Medicaid plan because once they've received a waiver service it allows them to receive the state aid Medicaid. It is an application process.

Senator Mathern: Had questions regarding families on Medicaid and the voucher program.

Ms. Feist: They would have to be income eligible. They wouldn't be able to be on the waiver and the voucher at the same time. They can receive Medicaid benefits if they were income eligible.

Senator Mathern: I would hope that things are designed that all of them are available.

Toby Cherney, mother of autistic child provided Testimony attached # 57. Stated they have lost services since her child turned 5 years old and is suffering from the effects of not having the respite care needed. We are looking to you for understanding; we are looking for assistance so our children can become productive members of the community and we need the waiver expanded and that will help our children from 3 to life**. (1.30.41)**

Vicky Peterson, Family Voices of ND presented Testimony attached # 58. She then read Testimony attached # 59 - a testimony of Renee Hardy, mother of autistic children.
She also submitted Testimony attached # 60 - Mindy Iverson - a mother of an autistic child.

Roxanne Romanick, Board President, Designer Genes of ND, Board provided Testimony attached # 61 asking the committee to reinstate $350,000 for North Dakota's Infant Development Program that was removed in the House**. (1.39.58)**

Alex Schweitzer, Director of Field Services of the DHS. **(1.40.55-1.53.49)** testified in favor of HB 1012 and provided written Testimony attached # 61 which is an overview of the eight regional human service centers (HSC's) for DHS. Budget changes, page 6 **(1.48.15)** House changes are found on page 9 of the testimony.

Senator Robinson: Asked for a summary of rental rates for facilities. He was told that they will provide that. He then stated a few months back someone was trying to get help at the Southeast Center, had a long wait; he then asked where we are with caseloads, waiting periods, do we have a list of wishes in terms of areas where we have a log waiting time, etc.

Mr. Schweitzer: (1.55.02) We track on a quarterly basis waiting times and we are seeing some waiting times in the area of the psychiatric services and physiological services, but , in most other areas we are able to get people in between 1 to 5 days. We are seeing a shortage of counselors. Have that person contact the Director of Human Service Center and we can see what the issue is regarding the availability to be seen in an appropriate amount of time.

Senator Robinson: Had questions regarding the transition from the Grafton facility and the difficulty of placing some of those folks because of their needs and expressed concern regarding the burden of too much work on Mr. Schweitzer.

Mr. Schweitzer: (1.56.22) We are addressing the situation, with in our current budget, by making sure we keep the ratios appropriate so we are making those adjustments, we are meeting those current needs and we are not reducing staff and we are filling those positions as soon as we can.

Senator Robinson Regarding the transition within administration and structure within the DHS over the years and I know you have assumed much more responsibility, just to reflect on where we have been, where we are and where we are going, in your estimation are you able to cover all the basis?

Mr. Schwietzer: (1.57.34) As far as my position, I have excellent people that support me. I am responsible but I have great people helping me. This move has been better for us in terms of integration, I am covering it.

Senator Gary Lee: Just take the House changes, they removed that money for the 16 bed transitional in the Southeast, is that an existing facility?

Mr. Schweitzer: This is a new request because of the demand we are seeing in that particular region that we've asked for this additional facility. He was then asked where would this be. The answer was it would depend on we often times contract with providers, it could potentially be a contract.

Senator Gary Lee You wouldn't be looking to build, would you?

Mr. Schweitzer: We would probably not build. We would look at existing property. It would be rental.

Senator Gary Lee: On contracted services, is the FTEs included in this as well; he was told yes, it's covered in this amount.

Senator Warner: asked about the geriatric psychiatric expansion, how do you decide where to put it? Do you put out a RFP or go through the state hospital, say a little bit about your decision making process in placement; to see if there are prisoners who could be transitioned out into a less restrictive environment their age and finally Medicaid coverage if we would transfer prisoners out. Are they eligible for Medicaid if they go to private care?

Mr. Schweitzer: (2.01.08) Yes, We do an RFP for finding these jail site units. Ellendale was the only facility that stepped up and submitted a proposal. The nice thing about Valley City and Ellendale is the state hospital supports some of the functions of these programs. I haven't talked to the prison much about the elderly leaving the prison system, if they are elderly and they need services they would be eligible for Medicaid if they meet the financial criteria just like everyone else.

Senator Mathern What are the consequences if we don't support this?

Mr. Schweitzer: We support the governor's budget. We fill it meets the needs of the people in the regions. The consequences are If you don't provide services close to home they will go as inpatients into the hospitals in their regions or the state hospital.

Further testimony in support of the governor's budget in HB 1012 provided to the committee at this time but no oral testimony regarding the Human Service Centers are as follows:

63 - Laurie Gotvaslee Director fo the Northwest Human Service Center (NWHSC) and North Central Human Service Center (NCHSC) for the DHS.
#64 - Kate Kenna Director of the lake Region Human Service Center (LRHSC) and Northeast Human Service Center (NEHSC) for the DHS.
#65 - Jeff Stenseth, Director of Southeasst Human Service Center (SEHSC) and South Central Human Service Center (SCHSC) for DHS.
#66 - Tim Sauter Director of West Central Human Service Center (WCHSC) and Badlands Human Service Center (BLHSC) for DHS.
#67 - Alex C. Schweitzer Director of Field Services for DHS - an overview of the statewide Human Service Center administration.

Nancy Mckenzie provided written Testimony attached # 68 2.10.54) this is an important part of the recovery model. 2.07.56)

Shiobhan Deppa representing the Consumer Family Network (CFN) of North Dakota Presented written Testimony attached # 69 asking for the support of HB 1012 and the additional funding for peer support services. **(2.18.04)**

Corinne Hofmann, Director of Policy and Operation for the P&A provided Testimony attached # 70 and testifying in support of the Executive budget submitted for the DHS and ask the committee to restore funding to Regional Human Service Centers in the area of Mental Health Services.

Senator Erbele: (2.22.29) On the bottom of the first page, the cuts, is there any relationship, is there a correlation between the two?

Ms. Hofmann: I don't believe so. I believe this is a separate program. That was confirmed.

Alex Schweitzer: Director of Field Services of the DHS (2.27.48-2.32.55) here to testify for the two institutions, the ND State Hospital and the ND Developmental Center for the DHS. Testimony attached # 71. Major Program Changes/Trends. He will talk to the subcommittee regarding the coal heating situation. They do not meet the plumbing code that is why we ask for the funding. This concludes his testimony on the State Hospital.

Vice Chairman Bowman: Is there a way to track those people (sex offenders) whether they are from ND or elsewhere? He was told they already track them both state and out-of-state people.

Senator Warner: had questions regarding moving expenses regarding the 3 physiatrists and whether we have a general policy regarding that matter.

Lori Laschkewitsch Yes we do. I could get a copy of the policies from OMB for you.

Senator Wanzek: (2.37.16) had questions about the salaries.

Mr. Schweitzer: We have a significant number of people who are retiring. We had 40 in that group that are retiring. And they have been there awhile so their salaries were higher. (2.38.20) He continued with the overview of Budget Changes in Secure Services. The House made no changes in this part of the budget. He continued with the North Dakota Developmental Center (NDDC) Programs: House changes are on page 16 of testimony.

Chairman Holmberg: asked what the alternative was and what were they supposed to do.

Mr. Schweitzer: They (the House) indicated that we can come back to the Emergency Commission and ask for help.

Chairman Holmberg: I hope the committee will take a close look at that. They are asking us to take out of the contingency fund and the Legislature has resisted that.

Mr. Schweitzer: (2.49.42-2.50.10) continued with testimony on page 16 regarding the House changes.

Chairman Holmberg closed the hearing on HB 1012.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012- subcommittee
03-20-2013
Job # 20255

☐ Conference Committee

Committee Clerk Signature	Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing on the Budget for Department of Human Services

Minutes: See attached testimony.

Chairman Kilzer opened the subcommittee hearing on Wednesday, March 20, 2013. Subcommittee members Senator Gary Lee, Senator Erbele and Senator Mathern were present.
Also present:
Becky J. Keller - Legislative Council
Lori Laschkewitsch - OMB.

Chairman Kilzer explained the process. He said they would take an hour at a time and will divide up the budget into 5 sections. They will begin the first part with Maggie's overview, then administration, IT, and then Economic Assistance Service (EAS). He stated that they will not be taking public testimony during these meetings.

Senator Mathern commented that he was working on a number of amendments and came to the conclusion that many of the reductions on the House side related to house members having a different assessment as to what the case loads and utilization would be. He is hoping that when we address amendments we might look at this from a broader perspective. His perspective is that the person closest to the action probably has a better idea of what the caseloads will be. He is hoping that when we get to amendment time we can talk about restoring all the issues that relate to utilization.

Senator Kilzer said he hopes that the committee will look at this with even a broader perspective. He hoped that the subcommittee would look at both possibilities of additions as well as cuts in various areas. He would hope that members look at the baseline budget from the present biennium, look at the executive budget, look at the House budget, and additional requests that have come in and also factors that may have changed in the last six months since the department submitted their budget. Following up on Senator Mathern's comments, he asked Maggie Anderson, DHS, to present the overview and personally asked her to explain the word clawback and what it means.

Maggie Anderson, DHS, said that the clawback, otherwise known as the Medicare Part D phase down contribution, started as a result of Medicare Part D. Prior to Medicare Part D, the Medicaid program was responsible for the prescription drug costs of the duel eligible. Prior to January 2006, Medicaid paid for those drug costs. When Medicare Part D came into place, the dual eligible were moved to the Medicare Part D coverage. So Medicaid is no longer paying for their drug costs. But as a way to finance part of the Medicare Part D prescription drug costs states are obligated to pay this phasedown contribution or clawback. Clawback is the name that the states gave to this financing mechanism because they are clawing back to the states to bring that states share money into the financing of Medicare Part D. In North Dakota the clawback is primarily all state general funds but also a portion of estate recovery dollars.

Senator Kilzer asked if it would ever go away completely.

Maggie Anderson replied no, unless federal law changes. Right now the law says we will continue that contribution. She stated that they expect that to go up. They provided a document to the House of what they projected that dollar amount to be and officered to provide that for the committee.

Senator Kilzer asked that they furnish the subcommittee with that same document that they gave to the House and a written explanation on clawback.

Maggie Anderson said that they tried to cover everything in the overview. There primary message was there concerns with the House amendments and some reductions there. They are concerned in terms of some needs that were identified in the optional funding requests that were funded in the Executive Budget but removed in the House. In addition to that, some of the dollars cut in their operating fees and services have impacts on their ability to continue service contracts in other areas. Also there is concern for the reductions in the area of utilization that Senator Mathern referred to. She said there are also specific reductions that will be addressed in each of the section as we go through them.

Senator Erbele asked if we could just go through each bullet point on page 5 under the administration tab and talk about the House changes and why they were made.

Maggie Anderson explained that the Deputy Director position for the agency is unfilled but they budgeted to fill that in the next biennium. They requested that this part of the budget be reinstated. They believe that position is very important.

Senator Kilzer asked how long has this position been vacant and what are the duties of that position.

Maggie Anderson said that the position has been vacant since 2006, when there was some reorganization done within the department. The purpose of a deputy position is to assist the director, stand in for the director, and to lead a certain part of the agency. They would like to see that position available so as the Executive Director is put in place they can decide the structure of the executive office and determine if that is a needed position. It wouldn't be filled if it isn't needed but there are indications with the current work load , as

well as the new policy bills that will add additional services and programs, there is a potential identified need there.

Senator Kilzer asked if the executive director of the department is assigned to different duties on other boards and if they have other obligations.

Maggie Anderson replied, yes. There are a number of committees that the executive director is defined as a standing member as well as other committees where it is the Executive Director or their designee. She gave other examples.(16:05)

Senator Gary Lee said that position has been vacant for seven years. In that interim, how were the responsibilities dealt with before.

Maggie Anderson said that there had been a variety of different changes at the time when the deputy position became vacant. The department was organized into an executive management team, or cabinet structure, where division directors oversaw their divisions plus served as a lead of other areas. She gave an example from one of the divisions. There is also a position within the executive office called special assistant to the executive director and that position also assisted. Their request is that whoever the appointed Executive Director is they will work with the Governor in terms of the structure of the Executive office.

Senator Mathern asked if the special assistant's position was filled and asked how they determined how much general funds this is versus special funds.

Maggie Anderson replied that Heather Steffi is the Special Assistant, and she also oversees the Child Support and Economic Assistant areas.

Deb McDermott answered how the funding is determined. She said they have a cost allocation plan that is approved by the federal government. That position would be funded based upon how our cost allocation is approved. Right now it is funded based upon how all the FTE's in the department are funded.

Senator Mathern asked about funding and whether it had changed.

Deb McDermott said the funding mix should be consistent because the only FTE that changed was the reduction of the Deputy Director FTE.

Senator Kilzer went on to the next bullet point, the oil patch add on of $3.7 million. Is that the $500.00 per month for a staff member in the oil patch.

Deb McDermott: Yes, in that Williston, Minot and Dickinson region, in the oil patch.

Senator Kilzer asked what happens if the House cut is upheld.

Maggie Anderson said it would be a challenge in terms of recruitment and wait times. She said they were already increasing salaries in the oil patch to get and retain employees.

Senator Kilzer asked where that money came from.

Maggie Anderson said it was not included in the current budget.

Deb McDermott said it came out of the Human Service Center line item for NW Human Service Center.

Senator Kilzer asked if it was coming out of the operating line from that regional center.

Deb McDermott replied, that is correct, we had enough to fund that $500 increases in salary in that area.

Senator Mathern that would imply you had more money than you needed. How could you have money left over to put in the extra $500.00? How could you have money left over.

Deb McDermott explained (25:30)

Senator Kilzer: Move on to the next bullet point, the $750,000 general fund rededication to operating expenders.

Maggie Anderson said it does equate to an overall reduction of $1.7 million dollar reduction. She explained that the fixed costs are 57% of the operating budget. The other 40% is related to services.

Senator Erbele: The program services, those services on page 5, you would have to reduce by 3 % or more.

Maggie Anderson replied, more. Those are examples of services. They would have to take the $1.7 million out of the $5.1 million or we would have to reduce service contracts.

Senator Erbele asked if they had a priority list.

Maggie Anderson said they would have to go back and prioritize.

Senator Mathern asked why there isn't a corresponding federal funds reduction shown.

Maggie Anderson: The federal funds don't show on here because the House didn't take that away.

Deb McDermott said that most of these areas are matching funds, if we don't spend the general fund dollar we don't get the federal dollar.

Discussion followed on eligibility and the increased number of administrative hearings.

Senator Kilzer moved on to the IT section. (39.27)

Jenny Witham, Chief Information Officer for DHS, said the only change is the $5M that was removed for the electronic medical records system for the State Hospital and the Human Service Centers.

Senator Kilzer asked if that $5M is the total project cost. He asked for more details on the system.

Jenny Witham (41:02) answered yes, this is the entire cost that we are projecting. She explained what they would do.

Discussion followed on the software licensing fees, maintenance, training, and benefits of changing.

Senator Gary Lee: Has the project been on the horizon for a while or is this the first time it showed up?

Jenny Witham replied that they had not requested this before.

Senator Kilzer asked if there was any way to do it over two biennium's.

Jenny Witham said that because we are looking at an integrated system, we would want to be looking at it as one project but it could be worked on longer.

Senator Gary Lee does the $5M include the training costs.

Jenny Witham replied, yes.

Discussion followed on asking the Department to get more information on the potential benefits and also about the shortfalls.

Jenny Witham will supply more information.

Senator Kilzer adjourned.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 subcommittee
March 25, 2013
Job # 20425

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation for Department of Human Services (DHS) - this is a subcommittee covering child support, DD Council (developmental disabilities), and aging services.

Minutes:

Referred to testimony # 4- 7A

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. Senators Lee, Erbele and Mathern were also present.

Economic Assistance Policy/ Grants -
Senator Kilzer said with good economic times in ND, maybe some of these needs could be lessened and you could tell us why that isn't happening to a large extent.

Carol Cartledge, Director of Economic Assistance Policy Division
Referencing her testimony #4
Have child care assistance which assists low income families, SNAP(Supplemental Nutrition Assistance Program) low income home energy assistance, temporary assistance for needy families which is a cash benefit. All programs have experienced a decrease in caseload and contributed to economics in ND especially the TANF caseload has continued to decline. I'm not sure when it will stop declining. Employment is much better than TANF (Temporary Assistance for Needy Families). Assistance heating has also experienced a decline - nice winters.

Senator Erbele: We dealt with something in the first half with the assistance for the heating and insulation of the weatherization. Was that through the Commerce then that we're dealing with that kind of weatherization and all of that? How does that tie in there?

Carol: It was 2 separate bills. LIHEAP (Low Income Home Energy Assistance Program); one under Commerce. The other is for heating season and when known how much is left over, they contract with Dept. of Commerce and they obligate those funds to Community Action Agencies. **Senator Erbele**: Are their funds also income related? **Carol replied**, is

our income related and as I understand the bill that would introduce, ours would be income related? I know there is going to be up to 80% of the state median income whereas LIHEAP is up to 60% of the state median income.

Senator Mathern: This part of budget is heavily dependent on decisions made in Congress. Some of the areas that you talked about reauthorization coming up this year, are there major pieces that are being questioned as they go forward? Are you presenting numbers that reflect sequestration or is there impact with sequestration that is going on now?

Carol: As far as sequestration. The ones who are impacted are the low income LE848 some were subject to sequestration. They will distribute an additional 5% sequestration. But what the regional office did at the beginning of the heating season, they only distributed 90% of the funds. So North Dakota got 90% of the funds and so that is basically what we worked with. They will redistribute an additional 5% at some point. Given because of the decrease in the wishes of the fund, we will be okay. That is also true under child care assistance because of the decrease in the usage of the program we will be okay. As far as reauthorization terrance, child care and LIHEAP will have extended through the end of September of this year. So they will have to take the records in and decide what they will do with the reauthorization. I don't anticipate whether TANFF got there, it will probably be something with additional work requirements. Under LIHEAP I haven't heard anything about changes within the programs other than additional reporting requirements. I think the impact will be under SNAP which is the farm bill is up for reauthorization. That will be also at the end of September. I don't anticipate changes under that program, but I don't believe based on the discussions at this point that those changes will result in increase in caseloads but potentially a decrease in caseloads.

Senator Kilzer Did you tell us in your past testimony, what the federal match is in a lot of these programs?

Carol: TANFF has a obvious need for beverage for $9.1 Million dollars; Childcare systems $1.9M; LIHEAP does not have a match and SNAP does not have a match.

Senator Kilzer so when you say they don't have a match, their 100% federal funds?

Carol LIHEAP is 100% federal funds. Now SNAP does have some general funds into it. I believe it has to do with EDT distribution where the counties contribute to cost.

Senator Erbele SNAP program, for example, you just administer the program. The rules are all federal too? You have no control over how the funds are used.

Carol: That would be true. It is basically federally given federal rules. There is the other programs the block grants have more flexibility in there.

Senator Gary Lee The decrease to this section is $40M - most is federal. The FTE numbers are staying the same and you indicate your caseload is going down. Why the need for the continued number of FTE's?

Carol Even though the caseload decreases, the work that is required under each of the programs does not decrease. Example cited. Federal reporting on a quarterly basis, there are still rules that have to be implemented; so even though the caseloads decrease the work that is required now to the programs does not decrease.

Senator Gary Lee If your caseload is dropping each time, as what point in time do you get to the level where you need to evaluate employee numbers?

Carol: I would say at this point in time, the other thing that is occurring with it is the highly developing modernization project. All of our programs staff experts will be spending a portion of their time on new project. I would say the soonest we could evaluate if they continue to decrease after the build of the new system because they would be doing two jobs over the build of the system. The other thing is we supervise the counties and they administer the programs.

Senator Gary Lee So is there a matrix there in terms of staff not caseload? You must have a matrix that you use to determine staff need. What would that be?

Carol: We basically don't have like a matrix, but we would have for example under child care systems we have one program administrator. Under TANFF we have one, under LIHEAP has one, PAP has the biggest, much larger caseload. They have more employees under that one. Also within economic assistance, we have a control quality control assurance division where under that you need you have quality control is a requirement over federal law, and they go out and actually review recent cases to assure that people are receiving the benefits that they should. We also have a regional representative need that is basically a middle man between the department and the counties. They do assure that policy is being followed.

Senator Erbele Of the 30.8 FTEs are there any positions currently open? If there are how long have they been open?

Carol: We currently have two of them open, one is supervisor of the original reps, and that is because that person is retiring. Another one is a regional representative that is an ACA trainer and the position is available April 1. That one will be filled April or May.

Senator Kilzer On first page of testimony, you listed programs in your division. Give us a graph and shows what general fund obligation is on each one and also include the match?

Senator Mathern (1647) What is the time frame of the upgrade of software for these programs and when anticipated having that completed?

Carol - the build of the ACA is scheduled for October 1. But the full build which invests most of the AAP programs is scheduled to be about mid-of 2017.

Senator Mathern So this duplication of staff time both in terms of the old program and the new program, do you see that as going into 2017?

Carol replied correct.

Senator Gary Lee Caseloads and numbers you are handling. That isn't related to number of staff you need. Those are declines like that in every section.

Carol That would be correct. We would still need would require a program administrator at least one for each of the programs.

Senator Gary Lee There are 30 people on staff.

Carol: Discussed staff numbers (18:42- 19:40).

Senator Gary Lee Do you have open positions? **Carol** said there are currently two - an original rep supervisor and ACA trainer which was appropriated during the special session last November.

Child Support

Jim Fleming, Director of Child Support Division, DHS

Speaking from testimony #5 (page 2), he gave a brief overview. Their staff, 1 vacancy right now. We might have 165.2 FTE, we actually have them all filled.

Senator Erbele PA is ahead of us. Have you identified anything in there that their doing that we could adopt. What is the difference?

Jim: Were not exactly sure what Pennsylvania does. They've been published in the literature as purchasing an analytics tool. They can analyze the characteristics of a case early on and recognize if their likely to be a good payer or not a good payer. I was quoted a price for that tool as applied to North Dakota and unfortunately it's not scalable. It costs the same whether or you're a big state or a little state. The price they quoted me was $1 Million dollars. So that is one thing that they have done. Another thing they have done is if you look on the second page of the testimony, you'll see that the chart of the case load talks about non 4D and 4D. It is about full parts 4 D and 1 part Non-4D. In Pennsylvania there is a lot fewer in the non 4 D. They really push people and steer people into the child support program. If you assume that someone is going to be a good payer, and they don't need enforcement help, they may not become part of our caseload in ND. In PA they will nudge them there as kind of a insurance just to make sure that somebody is watching in case there ever is a delinquency. These are the two big things that I know that make us different from them.

Senator Mathern Is there any future where you anticipate people maybe wanting to use child support services and they have plenty of resources to pay for services? Or is this only going to be handled in the private market? At some point is it going to be something that consumers are going to ask for?

Jim: We do see customers today who would likely be able to afford attorney services. We are also seeing a real decline in attorneys in the private market who are qualified to do child support calculations especially for the more complicated self-employed obligators. The

Deficit Reduction Act required states to impose a fee on child support cases. They excluded anybody who have ever been on public assistance. But they are essentially hitting a population that has to pay for services. Concern is that if the fee is too high, the kids aren't going to get what they need. That part of fee sharing is now in place but the Feds require us to make our services available equally to the Bill Gates' of the world, and the minimum wage bus boys of the world.

Senator Gary Lee: The IV-D and non IV-D on page 2 it looks like the non IV-D is growing faster. The other one has been actually higher in the past, is that some of the accounting differences? Is one more labor intense than the other?

Jim: The IV-D is more labor intense. It doesn't have anything to do with the cases, or the change in the case counts as I mentioned. I would attribute the increase in non-IV D, volume to one of the ways that child support can focus its resources on cases where its work will make a difference. We try to maximize and shift onto the IV-D cases. Expect to see more IV-D cases closed deliberately because of collectability concerns rather than an increase in IV-D cases.

Senator Gary Lee Even though your numbers are up the labor required probably is a little or stays the same generally because of the mix of the kinds of cases you have?

Jim: I would hope so, but the 800 case increase in the IVD line, for the last two years is where my attention is more right now because, if you disregard the reduction on '09 and 10; that is certainly above average annual increase. I don't want it to be trended on us to go even faster before we have our staff moved into the right offices to handle it. If you assume a flat caseload, we have more enforcement tools to bring to bail and we are still negotiating payment plans with these payers that we didn't used to do. They are leveraging judgment interest that we didn't used to do. So even within existing cases we're finding more work to do to try to either work with the obligor or to be more successful in collections. There are more hands on cases. We used to not touch the obligation ever 3 years, now we if they ask for a review, and they've had a job change either up or down, you'll see us do a review even after one year. So there is in the name of customer service we are investing more time on the front end of these cases which will hopefully improve compliance at the back end.

DD Council - Senator Kilzer
DDT has two connotations. 1st of all there is the DD Council I think which is about 10 FTE's and then there is the DD disability that has a lot to do with long term care and issues like that. Can Deb who is knowledgeable about these two different categories that you often see when you see the color printout of the whole budget. Can you explain that? But there is a clear cut distinction between the two categories, I know.

The DD Council is one person, Cheryl Hess (not here today)
Debra McDermott, CFO, DHS (speaking for Cheryl Hess)
Speaking from testimony # 6

It's 100% federally funded and has one FTE in the division. She is responsible again to work for the council and helps advocate for those individuals, the DD individuals across the

state to make sure things are accessible; they work with partnerships, they provide grants to individuals. This is one area of the budget that before because its' 100% federally funded, basically I don't believe most of the time Cheryl's testimony was passed out without getting into the specifics of it. More time is actually spent on the DD grants budget.

Senator Mathern: Give me 2-3 examples of groups that get the grants from the council.

Deb: Family Voices and Listen; Pathfinders.

Senator Kilzer This is a $915,000 federal grant during the present biennium and it is anticipated to drop off by $5,000 is that correct? **Deb** replied that's correct. **Senator Kilzer**: I know some of these were filled out a few months ago, and I am sure there is change coming every day.

Senator Gary Lee: Looking at operating line in town $89,000, why did that change that much?

Deb: Basically if you look at the grants line, item 2, basically that increase and what they did was they decided that the grants that they would giving out; previously it was budgeted for an operating and now it's budgeted for any grants line item. It is just shifting of a line item that it was budgeted for in. That determination is made based upon how it was written to those entities and whether it's an operating or purchase of service or whatever action granting the dollars.

Senator Mathern Why did you make that change?

Deb: It is based upon the actual criteria of the contract. There are regulations and OMB procurement rules and regulations that we need to follow, so it depends on their services that you're purchasing.

Senator Erbele: Any correlation or sharing any services with this and Protection & Advocacy? Is there any correlation or relationship?

Deb: Cheryl works in conjunction with Protection and Advocacy, but no duplication of services.

Aging Services -

Jan Engan, Director of Aging Service Division, DHS
Went over attachment #7.

She talked about the Older Americans Act which came into existence in 1965 and has since been authorized most recently in 2006. One of the premises of that act, is certainly to keep older people in their homes and communities, in addition to leveraging, using the federal dollars to leverage other state and local dollars to provide services. (43:29-

Senator Kilzer Now does the SPED program is that under your division? **Jan** replied no sir.

Senator Kilzer Do you interact with the SPED people? Jan replied, yes we do. We have ongoing conversations with individuals in medical services with the SPED or HCBS programs. We serve some of the same common clients to our elderly nutrition program. **Senator Kilzer** So there is some helping of each agency. You said it was under medical services. I have some questions of that agency when I come to it.

Jan briefly talked about the agency

Senator Gary Lee: Looking page 10 the overview of the budget changes. It indicates the House took $1 Million out which in your narrative it describes as guardianship services were decreased by 9. My understanding that is a duplicative number in terms of another bill. That money is in, is that you understand too?

Jan: In our budget, we certainly do support the Governor's inclusion of the $1M in the Aging Services budget. That bill now is in the budget and I believe that we have a handout that includes the original bill and some of the changes that have been made.

Senator Gary Lee: I think that money was shifted into 1141 and it has to do with guardianship appropriations. Just so that we understand if that is what actually happened in your mind.

Jan: yes a portion of what we had in our million dollars, the guardianship portion of that was shifted into the engrossed HB 1041. (Handed out Comparison of Guardianship bills - see attached # 7A)

Senator Gary Lee: 1041 and 1012.When we considered your budget for your section there that reduction the dollars are really somewhere else right now, but the million is still somewhere?

Jan: replied yes $361,200 was taken out of our budget and shifted to over to 1041, and then the complete million was taken out of our budget so the other things that would be on this list of the original bills which included petitioning costs for wards. We still have $40,000, but we have increased that. We also had dollars in here for the court, but to provide tutorials but that remains in the HB 1041. We did include some costs for monitoring guardianships, and then we had a portion of $383,000 that would provide for some additional staff in three geographical areas for the vulnerable adults protective services program. That was also removed.

Senator Gary Lee: I am still confused about 1041 and the 1012, that $1M dollar reduction. Maybe the council or OMB can help me with understanding where, how much was reduced between 1041 and 1012?

Becky J. Keller: replied in 1012 there was $1,040,000, and now there is $40,000 not counting the corporate guardianships. Then in 1041, there was $1.6 M for OMB to do guardianship and now there is $361,000.

Senator Gary Lee: asked was the 1041 language for new guardianships, was that the intent of that? Would that be new money to the system? And the other dollars were for

taking over eventually the county, not existing consumers. Was this just supposed to be new money?

Jan: In original HB 1041, that was existing guardianships plus 25 new on an annual basis. In our original budget 1012, they addressed only guardianships. The engrossed house bill 1041, then looked at only new wards for the $361,200 which is the same amount that was in our original budget

Senator Mathern: The dept. had an initiative in guardianship and interim committee had initiative in terms of guardianship. I don't think they meant to overlap in terms of duplicating, but with different kinds of initiatives and a different approach in terms of what was need. If 1012 passed in original version and 1041 passed in original version, how much $ would you have in guardianship other than corporate guardianship?

Jan: You would have in guardianship now, in the original versions almost $2 Million dollars, over $2M. **Senator Mathern:** $2.6 maybe? **Jan**: pretty close.

Senator Mathern: With the present condition of two bills, how much is there? **Jan**: said $361,200 in guardianship, plus $ 700,000 for establishing courts for tutorials plus the $40,000 in the departments' budget for the establishment of guardianships. **Senator Mathern:** replied, we would have about $400,000? **Jan** replied, yes, a little more than $400,000. **Senator Mathern:** so let's assume the public policy was correct in those two bills 1012, and 1041 were short about $2.2 M, and I think our Senate Human Service Committee attempted today to restore $1 M, we're still $1.2 M short. That's assuming the needs described by the Department of Human Services and the interim committee were accurate, we would still be short that amount. Does that set with the way you understand this Jan? **Jan:** replied yes, you would be about $1 Mill dollars short. **Senator Mathern** Do you know if the Senate Human Services committee did restore some money that was cut by the House in the House bill? Jan: replied I was at that meeting this morning and they did have a do pass that included the restoration and I believe it was the $1,657,100 and the bill as it was amended

Senator Kilzer: Do you know the origin of HB1041?

Jan: That did come out of the interim study of this past summer.

Senator Mathern Is it your estimation that the department's recommendation of funding should be done and the interim committee funding? Did you see that as the combination being what the need was in North Dakota or were you seeing them as just competing budgets?

Jan: I do support certainly our budget. The main difference I believe in the two is that the HB 1041, looking at it's in its original fashion addressed both individuals that are currently have guardians or our adjudicated wards and I believe that number was 164. There currently being served by entities, agencies, organizations or public administrators in the state, would then the department or by division, came up with our budget utilization of the $1million dollars we did not look at those individuals that were currently receiving services but we looked at individuals moving forward. They expanded on the definition to include all

incapacitated individuals as identified in North Dakota Century Code. The rationale for doing that was that in our current biennium with the dollars that we received, we've identified a number of individuals, by class or category that we cannot serve but yet are in need of guardians. These are individuals that do not meet the current criteria of being served though mentally ill, of having traumatic brain injury (TBI), or being 60 years of age or older. They may include people that are under 60, that have a substance abuse problem, chronic substance problems, individuals' with early onset of dementia. Some type of a disability that would be covered and that is the recommendation that we made one of the changes that we recommended based on our current work and assisting in establishing guardianships for low income people.

Senator Kilzer: Were these 164 individual cases not included in your $1,040,000 item in your Executive Budget?

Jan: Correct. We did not include them.

Senator Kilzer: Were they included somewhere else? Were you aware HB 1041 was going to be brought forward.

Jan: I believe at the time yes, we were somewhat aware of how it would eventually end up. We chose a different direction to serve new people.

Senator Kilzer: Were either one or both of these items on OARs, the optional adjustment request? **Jan:** replied not to my knowledge, not.

Senator Gary Lee: In 1041, original bill, where it talks about the 164 existing guardianships, you are wanting 189, in here too. Is that money at the county level now? Do they budget for those?

Jan: To some degree they do, but at different rates; some maybe not at all. They may be individuals that did not go through the public administrator or be assigned to a public administrator. I don't have the complete information on that. We don't work directly with that service.

Senator Gary Lee: I assume you heard the some of the deliberation on the House side in terms of why they reduced the guardianships. Was it that they saw those existing guardianships already being paid for at a county level, and the 361 was for the 25 year one and 25 year 2, new guardianships that were coming on.

Jan: I was not present during all of the discussion, but I would assume that would be part of the rationale.

Senator Kilzer: closed the hearing on HB 1012. Start with Children and Family services.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 subcommittee
March 26, 2013
Job # 20504

☐ Conference Committee

Committee Clerk Signature	Rose Daning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the Department of Human Services; Children & Family Services and Vocational Rehabilitation.

Minutes: Testimony attached # 1.

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. **Senators Lee, Erbele** and **Mathern** were present.

Senator Kilzer: asked if there were any requests. People have come to him and asked about amendments. He anticipated too finish with the subcommittee hearings on the departments by tomorrow.

Children and Family Services -

Shari Doe, Director, Children and Family Services Division of DHS
Shari gave a brief overview of her department. Their programs include: Child Protective Services, Family Preservation Services, Foster Care Services, Adoption Services, Early Childhood Services. (3:34- 14:00)

Senator Kilzer: Tell me more about the Chaffee program, what it involves, how many participants you have, where it is done at, what future holds, etc. I am not familiar with it.

Shari: The John H. Chaffee Foster Care Independence Program is its full name. It provides assistance for current and former foster care youths to achieve self-sufficiency. So that when we start seeing a kid reach their age of about 16 or so, we'll apply independent living services for them. Right now in the state we have about 400 kids in the Independent Living program and we have coordinators in all of the regions in ND. We contract with the agencies to provide direct service in the regions.

Senator Kilzer: Is there a certain age that they graduate from the program?

Shari: at 21 or at 18 unless they are remaining in school or if they have a disability or something like that we can maintain them for longer.

Senator Kilzer: Reduction of $205,416.00 and it was a OAR that the House took out. Could you explain what that was about?

Shari: Our OAR was for the post adoption services. The department has tried to obtain funding to provide for what we call for post adoption services. Those are so we can put some support for the family after the adoption; a special needs adoption has taken place to help prevent a disruption of that placement. Often times children being adopted with special needs have special problems and we want to provide all the support we can for that family to ensure that adoption continues. We put in $150,000 for the sub-adopt program and it was removed. That is what was taken out.

Senator Kilzer: $150,000 was the total amount and it was all removed?

Shari: Yes, the whole amount, the $150,000; the OAR was the only one taken out was the sub-adopt. We added $150,000 for a county.

Senator Kilzer: Was all of $205,000 and you said $150,000 was taken out.

Shari: I think it was $300,000 for biennium. **Senator Kilzer**: Was it all of the $205,000? **Shari**: replied I think it was actually $300,000 for the biennium.

Deb McDermott, CFO, DHS: On the post adoption OAR that was removed with $205,416.00, and then in this area of the budget as well, $150,000 was added for Ramsey County. Only you can't say it to you. Yes.

Senator Kilzer: was that a tit for tat deal then or something like that?
Shari: I actually don't know if I can answer that. I would only speculate an answer for you. As I said the OAR post adoption services has been one that we tried for a couple of sessions now and this time the Governor included it in the OAR. **Senator Erberle** asked has it has ever been funded?

Shari: It's never been funded.

Senator Kilzer: The $205,000 was the whole appropriation in the Executive Budget that was removed and then the $150,000 was that an add-on or was it a new amount for that county?

Shari: it was an add-on. I don't know when it was added on. **Deb McDermott**: it was actually a new add-on. There is a section in the code that basically talks about that if any county exceeds mills, they would have requests. It's based on a section of law that has been in existence for a number of years, but there has never been any money specifically appropriated for that purpose.

Senator Erbele: It's because they have a significant amount of Native Americans but not within the reservation boundaries. Isn't that where the problem arises?

Deb Mc Dermott: yes I believe that is true. **Senator Erberle:** Wasn't the amount they actually requested closer more like $700,000?

Deb: I can't really exactly tell you for sure where the $150,000 came from. I know based upon information that was provided by Terry Traynor, Assoc. of Counties, this upon the 2011 mill levies, basically there was $356,796 that would be dollar amount they are over the state wide average ten mills. Basically the way that would work, though in talking with Terry Traynor, is depending on amount you want to fund. It's only a one time dollar amount that you would want to fund, because what it would do be to affect the mill levies the next year. So if you did appropriate the $356,000 then next year the mill would drop way down, and there wouldn't be a need for those monies. So if you would want to fund it at this level the more appropriate way would probably be to just fund ½ each year and that way the taxes for that county would remain consistent from year to year. Otherwise you'd fund the difference one year and then the mill levy would drop way down and then go up the next year.

I'm using the 2012 additional as well. I have handout (see attached #1 - Dedicated Human Service Levies - Levied (in 2011) for 2012 Budgets) Explained attachment A.

Senator Gary Lee: Would the other counties who might be eligible for that would be Sioux County? Would they be eligible?

Deb: Sioux and Williams County.

Senator Gary Lee: In regards to foster care, the stipends for being a foster parent, where does that show up in your overview? Is that in operating or grants, where does that show up, the reimbursement that they get, that payment?

Senator Mathern: said it's under attachment A of main testimony.

Deb: That would be the third line, the foster care maintenance, therapeutic and subsidized guardianship.

Senator Gary Lee: in overview, where does it show up in the roll ups?

Shari: - It's under the grants. **Deb:** replied Yes.

Senator Gary Lee: In terms of number of cases in foster care, is that up or down?

Shari: They have decreased slightly. The trend for foster care in previous years has been to decrease however we're starting to see that trend reverse itself.

Senator Gary Lee: If there is multiple children in a household, is that one case or is that three cases if they happens to be three children there? Shari We would count each kid as a foster care child, I believe.

Senator Gary Lee: Is there a fee stipend? How do you determine what the rate is?

Shari: replied yes there is a foster care rate that we have for homes, group homes, and other facilities that is based on. Senator Gary Lee, The foster care payment what is that rate based on that parent. How do you determine what that rate is?

Dean Stern, Foster Care Administrator, DHS - Generally speaking the rates for payment of children in foster care is based on their age. Age 0-4 is one delineation; 5-12 is another; and 13 on up is another. The rates go up a little bit per age group because generally it costs more to provide the care for those children in those age groups.

Senator Gary Lee: The rate is based on what?

Dean Stern: Cost of living, food, clothing, transportation.

Senator Gary Lee: And that rate, how do you know what food costs, where do you come up with your numbers? **Dean:** replied that generally has come from federal guide lines about what it cost to raise a child. We give provider increases generally every year to account for inflation and increase cost to provide for the care of children.

Shari: The family foster care rate was adjusted up to what was happening in the country. North Dakota had a very low reimbursement rate to families and an adjustment was provided so that we could increase that.

Senator Kilzer: We frequently hear about a shortage of foster parents. How is that at this time? Is there still a waiting list of children who are in need of foster parents who are not available? How is that?

Shari: We have no waiting list for foster homes. When counties take custody they have to have a place to go. Sometimes our group homes are full; yes there is a shortage of family foster homes. There is a desperate need for family foster homes in North Dakota.

Senator Mathern: We have been putting some resources into family preservation and prevention. Do we have data to show how that has been working? Do you have some data that you could show us about that, and I am particularly concerned about a request we have to add some more money for family visitation? I'm wondering what our data is regarding family preservation services and the outcome of that service.

Shari: It's hard to get our hands on data. There is lots of data out there that supports home visiting as a way to, one of the most significant ways to keep children safe in their homes. It prevents child abuse and neglect, it teaches parents how to parent; by catching children early you can make a much better impact on them than you can later. There is a research done to support the idea of home visiting and I certainly find that for you. Specifically in ND, I would have to do some research and get back with you.

Senator Mathern: I'd like that for North Dakota. It is important that we get some data based on our investment.

Shari: we are tracking the outcomes of family team decision making, which is another strategy we use to keep families together. We see some really promising things coming out

of the two pilots, there is one in Cass County and one in Burleigh County. A theme routine moving is when a child at risk of being removed or has been removed we pull together family or people that know the child know the family, and we plan for that child, right away.

Senator Mathern: where is that reflected in the budget that service? Are we increasing that or keeping it the same?

Shari: Its level, its' an even budget. It would be reflected within a grant.

Senator Mathern: Is it a grant to counties or private agencies?

Diana Weber, Family Preservation Services Administrator, Children & Family Services Division, DHS: Some data on family decision making was provided in Shari's testimony on page 3. There is a section on family team decision making. It does give one year's worth of data on this project. It's contracted through the family practice services. It is contracted through the Village Family Service Center.

Senator Mathern: General question would be that we're putting $9M in there into the Family Preservation and Family Service Grants. I am wondering if it preserves families, if it keeps families together, should we put more money in, then we'll have les foster care or don't we have any evidence in that regard?

Dianna: We wanted to do that. With our electronic record system that we have, that was one of our objectives. It is to gather data pre and post data as to the impact that our early intervention and family preservation services have on rates of foster care, recurrence of maltreatment and those types of things. We are working diligently to try to get that information. We have anecdotal information that says yes indeed it is impacting families in a very positive way in maintaining kids in their home. But we want some better hard data through our electronic system. I don't have that we would like to see, we have some pieces, for example we've seen teen family team decision making but not the full extent of data that we would like to see.

Senator Kilzer: On Attachment A, where you list all grants, you have at the top, children and family services and then you list the major grants. Just in general, are all those grants from federal sources or are any of them private? How is that?

Shari:I believe most of them are federal. We do have a couple of private sources. One for example is the K.C. Foundation. They fund some child welfare services in ND.

Senator Kilzer: Are these grants in comparison in the present biennium going up or down? Are you worried about the amount of grants coming in for the next, or do you know what's coming in?

Shari: We have been receiving notices from some of our major federal programs, on what we might expect in the future and most of them are saying look for a 5% reduction.

Senator Kilzer: Are you able to live with that? **Shari**: I am analyzing that right now within the department. **Senator Kilzer**: How much of this total is state money? There is probably close to $150, 160 M here.

Deb: The grants just for children and family services in general funds would be about $36.6 million dollars in general funds.

Senator Kilzer: At the top you have it labeled Children and Family Services. Is all of this money just going to just this division of the department or is some of this overlapping with other divisions?

Deb: This is just for the children family services area.

Senator Kilzer: Did you have a comparison with the previous biennia about the general and federal funds for this division. I know some of that was in the overview here, but it's really listed according to grants isn't it. The figure of $139M in grants - you're expecting a 5% reduction in that at least on the federal funds.

Shari: I can't speak to that. We're speculating now, through some of emails that we perceive that rule might looking at that, but most of our contracts are good of course until the end of the federal fiscal year so we've got some time to analyze how that will play out.

Deb: Several of the funding sources in this area are not subject to secrestration. Some of the larger funding areas such as the Fort Yea funding which is one of the big funding sources for the True and Family Services area, so the 5% cuts are from some of the smaller grantors that we basically that we get from the federal government to fund this area of the budget.

Vocational Rehabilitation -

Russel Cusack, Director, Vocational Rehabilitation, DHS
Provides employment services to people with disabilities; independent living program. We have an Older Blind Program; Interagency Program for Assistive Technology; have a contract with the Social Security Administration and we determine the level of disability for individuals that are applicant's social security disability. We have a staff that makes an initial determination with physicians to certify that a level of disability and then we transmit that case back to the SS Administration with a decision. That is the federal contract that we have. We also have two committees, State Rehabilitation Council, 15 members that advises and guides the Vocational Rehabilitation program on policies and our state plan; we have as well a state Independent Living Council that guides the independent living services in the state of ND and provides direction and guidance to the independent living centers as well as to Vocational Rehabilitation.

Senator Gary Lee: Most of the decreases in this biennium were in the Executive Budget. this budget itself. Am I looking at that correctly in the overview? **Russel r**eplied that would be correct.

Senator Gary Lee : The changes from the House added $200,000 to some program areas.

Russell: The House added $50,000 in a grant line item and that was for the Older Blind Program.

Senator Gary Lee: here are that the Executive Budget include and are you okay with those changes? **Russell:** replied the budget reductions are made in the Executive Budget. Are reducing the authorities that is line with federal grant award that we anticipate receiving for Vocational Rehabilitation? So the answer would be yes.

Senator Gary Lee: So you're expecting a grant of some kind to offset these, is that what I am to understand?

Russell: Vocational Rehabilitation is funded approximately 80% with federal funds for the Vocational Rehabilitation Program and that is a federal grant. Then the match is approximately 20% state match. The federal grant is not increase for over the last 3 years and we don't anticipate an increase. So, the amount in the Executive Budget really is very much in line with what we anticipate as a federal award in our federal grant.

Senator Mathern: I would like you to comment on additional requests that have we received. The Centers for Independent Living of $1.98Million dollars, The Older Blind Program at $150,000 and The Extended or Supported Education or Training Program that Protection and Advocacy brought to us. It was kind of a combination of a couple of things. $540,000, and I am wondering if you had reviewed those three requests and what are your thoughts in terms of those three requests that we got?

Russell: The requests for the additional funds, for The Older Blind Program; was as I heard testimony in recognition that the population of individuals that are over 55 in ND is growing. The percentage of those individuals', who also have a significant visual loss, is growing as well. That is in recognition that we have a growing population of people with significant visual impairments that are over 55 and want to maintain their own independence. The data would bear that out.

Senator Mathern: The CIL (Centers for Independent Living) made a request for $1. 98M and then the Protection & Advocacy for $540,000.

Russell: The Centers for Independent Living made a request to for an additional $1.9 M total so all are brought up to same level of funding. That was a determination made by the center directors together that that would be a reasonable funding level so that centers could expand and serve those underserved or counties that are not served in the state of ND. If the centers wanted to expand those services to insure that all individuals in ND have the benefit of independent living services to maintain a residency in their own communities of choice. Some of those expansion plans for Minot, the transition program to hire an individual to do work out in western ND. The program in the Bismarck area had in their plan to have outreach staff in the Hazen area to serve Mott; and to recognize the growing difficulty of keeping staff in Dickinson by giving a salary adjustment that was more in line with the economic factors of that community. The centers in the eastern part of the state had outreach efforts as well and that included outreach into the Devils Lake areas, and outreach into Wahpeton as well as Jamestown areas.

Senator Mathern: then the P&A one. **Russell:** Protection/ Advocacy did give testimony on an optional adjustment request that was made, but not funded in the Executive Budget for benefits planning. That I believe was $540,000. I believe that's the OAR that you're referencing.

Senator Mathern: As director, how do these three work within your division? Is this an extension of what you're doing or partnership; or something outside, how would this work?

Russell: Certainly, the addition of funding for independent living and assisting individuals to be independent in their own community and using public transportation and being able to have access to different community buildings and what not; does assist the division because once a person has their independent living skills, then their more apt to come to Vocational Rehabilitation and start working on vocational and employment goals. So independent living and vocational rehabilitation really go hand in glove in terms of assisting an individual to not only be independent in their community, but to have some economic self-sufficiency in their community. Those programs work very well together. The Older Blind Program works well with Vocational Rehabilitation because it addresses the independent living needs and vision rehab service needs of people that have significant visual impairment. In many individuals that are 55 and older, they do still want to work. Providing those vision rehabilitation services is significant to make sure that a person has the ability to match their clothing, get around their own community through use of a cane, orientation and mobility skills, being able to cook their own meals through making adaptations within their home environment, those are very important. The latter was the OAR for benefits planning and that benefits planning is to help individuals that receive federal social security benefits to help those individuals understand that you can still go to work and you won't lose your very valuable medical benefits that come with that check. Even if you lose your cash benefits, you can still receive medical benefits through Medicaid and still work. Your research has demonstrated that of the individuals provided benefits planning, 80% of those individuals in ND actually did pursue employment and of those individuals 50% became employed. It is a service that Protection and Advocacy talked about in that light, that works. Many individuals that come to Vocational Rehabilitation are on social security benefits and their frightened about what will occur to them if they go back to work. It is a good to have a source where you can refer people to get that adequate information. Vocational Rehabilitation does fund one part time benefits planner in the state, because we feel that is an important service.

Senator Gary Lee: Looking at testimony from the Association of the Blind. They indicate there's $225,000 per year from the federal government for that program? Is that your understanding?

Russell Cusack: There is a $225,000 a year grant that the Division receives from the federal Department of Education. That amount has not increased in the last 5-6 years. I don't ever remember that increasing.

Senator Gary Lee: The House put in $50,000 for the biennium for the program. Has the state in the past contributed to this program as well from the general fund or elsewhere?

Russell Cusack: The state does have a requirement to provide a 10% state match to the federal grant.

Senator Gary Lee: So that is where the $50,000 comes in.

Lynn Derman, Liaison accountant for Vocational Rehabilitation

Vocational Rehabilitation already provides the $25,000 a year match required. It is a 10% match. The $225,000 federal monies, $25,000 general funds per year; this $50,000 would be in addition to the match we are already providing for the program.

Senator Gary Lee: So this is a $50,000 per biennium then. So another $25,000 a year roughly. **Lynn**: correct.

Senator Kilzer: There is no match with the additional $50,000 though. There is no additional federal money.

Lynn Derman: No federal dollars would be coming with that.

Senator Kilzer: Because it's kind of maxed out already on the $225,000. **Russell**: That's correct.

Senator Gary Lee: That program then would than get about $275,000/year to function with? **Russell Cusack** replied that would be correct.

Senator Kilzer when we meet tomorrow morning - Nutrition, grants, mental health and substance abuse.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 Subcommittee
03-27-2013 - am
Job # 20539

☐ Conference Committee

Committee Clerk Signature	Alice Dilzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing in regards to DHS.

Minutes:

You may make reference to "attached testimony."

Chairman Kilzer called the subcommittee hearing to order on Wednesday, March 27, 2013 at 9:00 am in the Harvest Room. Let the record show all conferees were present. They are as follows: Senators Kilzer, G. Lee, Erbele, and Mathern.

Becky J. Keller- Legislative Council
Lori Laschkewitsch- OMB

Chairman Kilzer: starts the discussion on Aging Services elderly nutrition

Jan Egan: director of the Aging Services Division for DHS. Shares with the sub-committee about the aging services with DHS. There are requirements that have to be followed, meals, nutrition screening and assessments and nutrition education. **Ms. Egan** goes over nutrient requirements that are outlined in the Older American Act. **Ms. Egan** explains the services of ageing services for meals and nutrition.**(6.50)**

Senator Kilzer requests clarification about the money for the services. **Jan Egan** goes over the budget and funding that is used by aging services. **Senator Mathern** asks what the appropriation needed to meet the need of increased population.

Jan Egan explains that handouts given to the committee. **See attachments testimony #1 and #2. (14.07)**

Senator Mathern asks if they have anticipated the increase for the next budget or is there additional need beyond the executive recommendation. There is a discussion if the $4.00 unit rate reimbursement and addition people in the program. **Senator Kilzer** asks how much would be from general fund and how much would be state/federal funds. **Jan Egan refers Testimony #1. Senator Erbele** inquires about cost efficiency between congregate and home delivered? **Senator G. Lee** asks if 60 is the age is a qualifier. **Senator G. Lee** asks if the house made any changes. **Senator G. Lee** asks the monies collected at the centers reflected any ware. **Senator Erbele** questions if extra $900,000 is needed.

Deb Mcdermott clarifies to the committee about the funding. **Senator Kilzer** asks if the counties are taking money for this purpose. **Senator Mather** asks for a chart of the counties if they all levy for senior services and what level.**(28.34)**

Senator Kilzer The next section is Mental Health and Substance Abuse:

Joan Hoesel, Director of the Division of Mental Health and Substance Abuse Services (DMHSA) shares with the committee about mental health and substance abuse and the services provided for TBI. Ms.Hoesel refers testimony given on 3-12-13 #16. **Senator Kilzer** asks about estimate of the percentage of treatable for traumatic brain injuries (TBI) **(37.15**)

.**Sentor Kilzer** questions about the grants in the health dept. budget. **Ms. Hoesel** continues sharing with the committee about governor's advisory council, and prevention.

Senator G. Lee. (44.19) Would like clarification on the increase in the operation line, and how much was TBI services before.

Ms. Hoesel discusses peer support program and the peer support workers. **Senator G. Lee** asks about enforcing underage drinking and safe and drug free schools reductions out of the operating line. **Senator Erbele** asks about the salaries of the peer support workers.

Senator Mathern Discusses a summary from the Legislative Council **Testimony attached # 3.** The summary shows decrease in budgets from the House for mental health and their programs.

Joan Hoesel discusses the programs and services in the summary and the effect of lack of funding **(51.35)**

Senator Kilzer inquires about a comparison to the current biennium rather than the executive budget. Becky Keller will prepare that for the Senators.

Senator Kilzer: We will close the meeting on mental health.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012
March 27, 2013
Job # 20574

☐ Conference Committee

Committee Clerk Signature	Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation for Department of Human Services (DHS) - this is a subcommittee covering human service centers, medical services and long term care.

Minutes:

Testimony 9B and referred to attached # 62 & 71

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. Senators Lee, Erbele and Mathern were also present.

Deb McDermott, CFO, Department of Human Services, handed out Senior Mill/Levy Match, previously requested. This is related to aging and the requests. **Attachment #9B**

Senator Kilzer: Each county mill is for a variety of services, not just for senior meals.

Deb McDermott: The mill levy match is for any senior programs within the county.

Senator Kilzer: Is there a maximum for each county?

Deb McDermott: No, but I can get that information for you.

Senator Kilzer: Asked her to do so.

Alex Schweitzer, Director of Field Services, DHS: Explained the House changes starting with 16 bed Transitional Living program for those who are seriously mentally ill in the SE region. He referred to attachment # 62 pages 5 and 8.

Senator Kilzer: Is this identical to what we heard two years ago.

Alex Schweitzer: No. This program is for individuals with serious mental illness and don't' function well unless they are in a safe living place.

Senator Kilzer: It sounds like they need a permanent place to live and you are using the word transitional.

Alex Schweitzer: It is a 16-24 month period of time where we deal with their issues and stabilize them so they can function in case management, and a more independent living situation. These have proven to be effective programs.

Senator Kilzer: What is the cost per day for the 16 bed transitional center versus the state hospital at $400/day?

Alex Schweitzer: An inpatient bed at a private facility will run from $800 to $1000 per day. State Hospital would be about $400/day and transition center would be about $400/day. **(Corrected: $111/day).**

Senator Kilzer: If they are the same, what are we gaining?

Alex Schweitzer: Appropriate level of care. Rather than having some institutionalized inappropriately. He explained. (11:00)

Senator Mathern: Are some of these people going to places like Sanford and misusing emergency care. Would Medicaid be paying for emergency room?

Alex Schweitzer: Many times they use emergency services inappropriately. They really need supportive housing and services from the Human Service Center.

Alex Schweitzer: The correct figures for the **transition center is $111/day and the state hospital is $400/day.**

Senator Kilzer: Can you provide us with the savings over a time.

Alex Schweitzer: We can provide that information.

Senator Kilzer: Let's talk about increasing from 10 beds to 14 beds in the West Central region.

Alex Schweitzer: The primary reason is that there is a waiting list constantly for the crises beds. These are people in crisis. They often end up in hospital emergency rooms and we put them where ever we can find a place for them. West Central is seeing more clients than even Fargo. Fargo does have more private services.

Senator Kilzer: Was that an OAR two years ago?

Alex Schweitzer: This was an OAR in the 11-13 biennium.

Senator Mathern: What is the cost per day of this program?

Alex Schweitzer: We will get that number for you. The individuals are in more of an acute stage of an illness because they are appearing in a crisis that needs to be dealt with. It is a short term program and the goal is to get them back into their living arrangement.

Senator Kilzer: Explain the eight bed transitional living facility in the Devils Lake area.

Alex Schweitzer: The House left that in the budget. The 8 beds were in the governor's budget and the House concurred with that and left them in. The 8 beds are the same as the 16 in the SE.

Discussion followed on why the House would choose the 8 bed facility and make the other cuts. The 8 bed and 16 are both new programs.

Alex Schweitzer: The other big change was an overall $1 million dollar reduction, with $600,000 being general fund, was made in the Statewide Human Service Center Administration area. He further explained (19:45). We're asking for the return of that.

Discussion followed on the $1,000,000 reduction. He referenced page 9, attachment #62.

Alex Schweitzer: The House also removed $320,000, from general fund, from the Transition to Independence Program (TIP) from all eight regions. This is a new program. He explained the needs.

Senator Kilzer: Asked Alex to go on to institutions.

Alex Schweitzer: North Dakota State Hospital (NDSH) testimony # 71. On page 8 of state hospital testimony you can see the House Changes. (31:00) He explained the House changes. He talked about the heating system and the discussions about the use of coal or natural gas.

Senator Mathern: Are we on gas now?

Alex Schweitzer: Using gas until we make the coal changes. We can use coal, natural gas, or fuel oil, whatever is the cheapest.

Senator Mathern: What is your preference?

Alex Schweitzer: The preference is that you recognize the fact that there is not $180,000 in savings in terms of going back to coal. There is only a $50,000 savings. If the $350,000 cut stays in we have to look to other areas to make up the other $300,000.

Alex Schweitzer: The other $75,000 reduction is funds for water temperature controls for the shower rooms in the LaHaug Building. Attachment #71 page 8.

Senator Erbele: Asked why it was a separate line item and if we restore the $300,000 if the money could come out of that.

Alex Schweitzer: He said if they had too, they could make that work.

Senator Mathern: Does this affect your accreditation.

Alex Schweitzer: Yes, it could. We have one this spring.

North Dakota Developmental Center

Alex Schweitzer: Testimony #71 pages 15 and 16. He explained the House changes found on page 16.

Senator Mathern: Do you have a situation where you can get a competitive bid?

Alex Schweitzer: Yes. There were two contractors that gave us estimates.

Senator Kilzer: Have you received bids yet?

Alex Schweitzer: No, because we don't have funding yet.

Alex Schweitzer: They also reduced the operation expenditures for the NDDC by $150,000. This equates to a total operating reduction of approximately $300,000 as general fund monies will not be available to match federal funds. He also explained that it was cheaper for them to utilize natural gas than coal.

Discussion followed on possible ways to restore some of the funding.

Alex Schweitzer: I have the answer to a previous question; it is **$88/day** for the crisis centers.

Senator Kilzer asked for a handout or chart to show the savings.

Alex Schweitzer: I'll get that for the committee.

Alex Schweitzer handed out and explained Justification for Electronic Health Record (EHR). **Attachment #62A**

Senator Mathern: The Affordable Care Act (ACA) directs all facilities to go into electronic records. Are there products available for behavioral health?

Alex Schweitzer: There are some good behavioral health products out there. He explained (53:20).

Senator Mathern: Would this development have ITD requirements.

Jennifer Witham, ITD Director for Human Services, said that SB 2033 or 2034 requires that any large project greater than a half million dollars be monitored and managed by an executive steering committee. This project would be subjected to that oversight.

Senator Kilzer adjourned.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 subcommittee
March 28, 2013
Job # 20651

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

BILL for an appropriation for Department of Human Services (DHS) - this is a subcommittee covering medical services and long term care.

Minutes:

Testimony attached # 1 - 4 and G and L

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. **Senators Lee, Erbele** and **Mathern** were present.

Senator Kilzer has 3 sets of amendments that he is handing out, but they will be discussed later.
Amendment # 13.8141.02001 (Robinson) - attached # 1
Amendment # 13.8141.02003 (Wanzek) - attached # 2
Amendment # 13.8141.02004 (G. Lee) - attached # 3
Amendment # 13.8141.02007 (O'Connell) - attached # 4

Carol Cartledge, Director of Economic Assistance Division of the DHS: Asked if she could do her section of the budget another time.

Maggie Anderson, Interim Director of the DHS: She went over the House changes starting on page twelve. Testimony Attached #31. (3:41-7:03)

Senator Kilzer: On the 90-10 match, how many years is that guaranteed?

Maggie Anderson: It's ongoing there is no sunset to the ninety percent.

Senator Kilzer: The people who are eligible for Medicaid now, who are not enrolled but would be coming in, are subject to the FMAP.

Maggie Anderson: That's correct and in the second bullet under the house changes we will be talking about that a little more. We had 1.9 million dollars and House reduced that by fifty percent.

Senator Kilzer: About the pregnancy part of it, in the Senate we had added onto one of the abortion bills increasing the number for pregnant eligibility. What is that percentage of births in North Dakota that would be covered by Medicaid?

Maggie Anderson: Starting with SB2303, which is the bill with the expansion of Medicaid coverage for pregnant women it was added onto that bill. That was defeated in the House so that particular expansion would not occur unless it is added to another bill somewhere. The Medicaid expansion that is in the Affordable Care Act wouldn't increase coverage for any additional births over what Medicaid pays for today. We're already at 133% of poverty for our pregnant women coverage and the expansion is 138%. The 133% that exists today, by January 1, 2014, has to be turned into a modified adjusted gross income equivalent. (8:40-10:54)

Senator Kilzer: I think we have around 9000 births a year in North Dakota. What percentage is Medicaid now and what would you project the percentage number to be in 5 years from now, if we were part of expansion?

Maggie Anderson: It's right around 31-32%. We're not expecting that percentage to increase. Other factors may be involved that would increase or decrease that percentage over time but not because of the expansion. (11:24-12:33)

Senator Mathern: On the expansion, is there a requirement that the exact same services and co-payments and deductibles would be required under an insurance plan or is the state permitted to have a variation from the program?

Maggie Anderson: We are required to establish benchmark coverage. Its equivalent to the federal plan or the largest HMO in the state, equivalent to the state employee package and then secretary approved coverage. One of those benchmarks includes the essential healthcare coverage. It needs to include the essential health benefits. (13:30-16:34)

Senator Kilzer: Why did they reduce that?

Maggie Anderson: They just reduced it by fifty percent indicating they thought the amount was too high. We calculated based on current population survey. We assumed a sixty percent take-up rate. We assumed not all of them use services every month. (16:45-18:19)

Senator Kilzer: Is there a percentage that would go into private insurance? If they're eligible for Medicaid they wouldn't go into the private market and pay premiums.

Maggie Anderson: This group is enrolled in our traditional Medicaid plan now. They would receive the Medicaid ID card but our estimates are saying every month, not all are going to receive a service. (Explained attachment C in testimony # 31) (18:44-21:12)

Senator Mathern: If we fully fund that assuming your data collection is more accurate than the House. What if we found that they were actually right and we only needed half of the money?

Maggie Anderson: It would be part of the departments overall administration of our budget. If we had a shortfall in another area because we underestimated what our cost would be for a service then we would move it over there. (Continues going over testimony #31) (21:39-23:24)

Senator Kilzer: Is the $84,000 part of a larger amount or is it the total amount?

Maggie Anderson: That's the total amount we are requesting on that line item based on our utilization in this current biennium. We're assuming there will be audits. (Continues with testimony) (23:35- 25:41)

Senator Kilzer: Is this a computer type thing?

Maggie Anderson: Yes, but it's an off-the-shelf type of product.

Senator Erbele: Is that a onetime expense? There has to be a cost to the department.

Maggie Anderson: This is a onetime cost. (Continues) (26:30-28:31)

Senator Mathern: How many providers do we have?

Maggie Anderson: Probably around ten thousand if you include everybody. Next Tuesday we are going live with the first component of our project, the provider enrollment piece. As part of that we are enrolling all practitioners. (28:40-29:39)

Senator Mathern: That's about $24 a provider to have this.

Maggie Anderson: That's our estimate. (Continues) (29:50-32:39)

Senator Kilzer: When you say reduced, from what to what in the Executive Budget?

Maggie Anderson: Referencing attachment G and then the last bullet. (31:54-36:20)

Senator Kilzer: Attachment G pretty well summarizes all of these things. The only question I would have is the timing of rebasing.

Maggie Anderson: This list those providers that were rebased based on the 2009 legislative changes as well as the ongoing rebasing. (Continues with handout K) (37:10-39:46)

Senator Kilzer: How about non-primary physicians?

Maggie Anderson: If they meet one of the criteria that CMS has identified.
Maggie handed out - Department of Human Services Clawback Analysis, Continues with attachment L and then to Long-term care, starting on page nine of attachment #35. (41:47-46:40)

Senator Mathern: Are you saying bringing back $4.9 million would address the need in nursing homes.

Maggie Anderson: Yes.

Senator Kilzer: Can you describe expanded SPED and did they leave SPED alone?

Maggie Anderson: They left SPED alone and we have a similar sheet that was in the traditional grants in this area to its Attachment E. It shows you those changes if you want to compare from biennium to biennium. (47:30-48:35)

Senator Kilzer: Several years ago, there was a long waiting list for SPED. Are there no waiting lists now?

Maggie Anderson: That's correct. The next bullet is a funding change that was made. (48:50-52:28)

Senator Erbele: So that doesn't address the starting point so we can still debate whether it should be eighty-five or a hundred.

Maggie Anderson: That's correct. If the house amendment would stand that would leave basic care at eighty-five. If you restored it to one hundred and the house concurred on that we would start at one hundred.

Senator Mathern: What feedback are you getting about the formula?

Maggie Anderson: In terms of operationalizing this, it's not complicated in terms of calculating and establishing what it is. I have heard feedback from the provider organizations on behalf of the recipients who this benefits, that because of the uncertainty of the consumer price index that they are concerned about the amount of time.

Senator Erbele: We saw a sheet on starting at this point using the formula. It takes a long time to even get to eighty-five bucks starting at today's rate using this formula.

Maggie Anderson: Moving on I don't know if we need to look at section ten. (54:50-56:15)

Senator Kilzer: I still remember when we had the two federal nursing homes and how we got all that money in the first place. It came from the feds and I am sure there were a lot of specific requirements on how to use that money.

Maggie Anderson: With the whole intergovernmental transfer process, once the money came back to this state, it in essence lost its identity as federal dollars. So CMS would not have any say in how we spend the money. (56:54-57:26)

Senator Kilzer: There are loans still coming into the healthcare trust fund?

Maggie Anderson: We do have a schedule on that. We can provide that to you on where it sits today and projection with the items being funded that we currently know about.

Senator Kilzer: I would be interested in the situation of that trust fund.

Maggie Anderson: That is really all of the house changes. The other three items there were just updated charts.

Senator Kilzer: Subcommittee questions about long-term care? Thank you very much.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 subcommittee (2)
March 28, 2013
Job # 20665

☐ Conference Committee

Committee Clerk Signature	Rose Laning

Explanation or reason for introduction of bill/resolution:

BILL for an appropriation for Department of Human Services (DHS) - this is a subcommittee covering the developmental disabilities.

Minutes: Testimony attached # 1 - 5

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. **Senators Lee, Erbele** and **Mathern** were present.

Senator Kilzer would like to start with two brief subjects. Told audience to bring in amendments.

Chairman Holmberg handed out amendment 13.8141.02011 - attached # 1

Chairman Holmberg - I have amendment I would like you to consider. It has to do with recreation centers for intellectually disabled folks. There are 2 existing ones, one in Fargo, the Red River Human Service Foundation and the Listen Center in Grand Forks. It is a place for leisure, recreational and educational programs for intellectually disabled people. (1:35) Both Tom Neuberger and Charlie Bremseth have information that they would like to give you.

Attached # 2 - Charlie Bremseth, Exec. Director, LISTEN, Inc. Grand Forks, ND
Attached # 3 - Tom Newberger, Exec. Director, Red River Human Services Foundation

Senator Kilzer - Maggie has a little clarification or something that we probably didn't absorb like we should have.

Maggie Anderson, Department of Human Services - I misstated something and want to set the record straight. It had to do with the rebasing, when we rebase the providers in July of 2009 those provider groups then did get the 6% the following year but in the 2011 session the legislature decided not to give physicians the 3 and 3 inflation for this biennium and I implied that all of those providers had received the 3 and 3 inflation so I wanted to

correct the record so everyone is aware that 3 and 3 was not provided to the physicians this current biennium.

Tina Bay, Director, Developmental Disabilities Division, DHS
Discussed attachment #44

Tina Bay went over the House changes starting on attachment #45 (page 4 of testimony).

Senator Kilzer - There was a large increase in the executive budget of $105 million. Why is that figure pretty large? That is a large percentage increase.

Tina Bay - Also on page 4 of my testimony we talk about the caseload growth. We wer anticipating 52 additional high school graduates expecting to need services in this upcoming biennium, 10 transitions from the developmental center and state hospital, an increase of our family support services of 3 per month for a total of 72 for the biennium, and an increase of 5 children per month for 120 for the biennium of infant development and also an increase of 58 consumers for self-directive services for the biennium.

Senator Kilzer - That seems like a large number. You couldn't have had that many increasing each year prior to that and still have, was there some factor that caused that or did it just happen?

Tina Bay - The numbers that we have put together for the high school graduates we used the Department of Public Instruction, we look at the number of kids that they have in their system that will be graduating within the next 2 years of this biennium. That is the same methodology that we've used in the years past.

Senator Kilzer - Has it been the 52 every year do the last several years?

Tina Bay - It was 22 per year so a total of 44 for the biennium.

Senator Kilzer - The house must think it's going to be lower for them to reduce the figure and the thing that catches my eye is that you went from $396 million in the present biennium and an increase of $105 million in the next biennium. That's a lot.

Tina Bay - The current biennium we are anticipating a deficit of $23 million.

Senator Mathern - Basically, we underfunded the last biennium and then it catches up on us.

Senator Erbele - Going back to the 5 additional 2 high school graduates, what kind of services are we talking about?

Tina Bay - It could mean residential services which would be maybe an apartment setting and then support staff to come in and assist them. It could be base support services where they need somewhere to do during the day in they are living at home. They are looking for vocational services, it could also be assisting if they want to continue living in their family home it could also be supports of provider staff coming in to their home and assisting them.

Senator Erbele - Then the cost per person varies? Are you able to identify the type of services?

Tina Bay - We look at historical data.

Senator Gary Lee - On those 52 graduates, are those graduates that don't have family support and wouldn't end up in your budget here?

Tina Bay - They maybe want to move in an apartment and need to access our services. We help in-home support.

Senator Gary Lee - They need to qualify? Yes.

Senator Erbele - If we could move to the infant development. You are talking about an increase of 5 per month and then 3 less visits for that amount?

Tina Bay - The infant development program is made up of 4 services and they are all lumped together (21:02)

Senator Erbele - How many visits do they get in a month?

Tina Bay - The providers may have 1 or up to 10 visits a month depending on needs.

Senator Mathern - Did the House come up with making $350,000 cut and then you backed out what would be lost or did they come to the conclusion that visits would be not needed and that came out to $350,000? How did that come about?

Tina Bay - We backed out. They just came up with a reduction of $350,000.

Senator Gary Lee - The House changed the $200,000 for the adaptive skiing program, Can you offer some more information on what that is?

Tina Bay - That is Annie's House I believe up in the Bottineau area. It allows people with developmental disabilities and physical disabilities to be able to ski.

Senator Gary Lee - Is this a new program?

Tina Bay - Yes, It was put in by Representative Nelson. My understanding it's a grant to Annie's House to use as they see appropriate.

Senator Mathern - In terms of the personal needs allowance was there some discussion between this budget and the long term care budget in terms of a similar formula or is this one different? It is the same formula.

Senator Erbele - If we were to increase from $85,000 to $100,000 do we need to address it twice or can we just address it once?

Senator Kilzer - If we were to take care both personal care allowance, we'd need an amendment for each one.

Senator Kilzer - On your last page of testimony on the last bullet you say section 8 added language that requires a needed care facility for providers to submit all facility construction proposals. Don't they do that now?

Tina Bay - Currently there is no policy or protocol on doing that. The providers have worked with the new division prior to construction.

Senator Kilzer - I thought they had to be inspected by the Health Department. Would this duplicate anything that the Health Department does?

Tina Bay - While the building is being built, the Health Department goes in and does a life safety inspection. This is to look at it before the provider starts the project.

Senator Mathern handed out an amendment on infant development. Amendment # 13.8141.02005 - see attached # 4.

Tina Bay - The infant development is birth thru the age of two.

Senator Gary Lee - Are those income based services in terms of the parents?

Tina Bay - No the income in waived.

Senator Gary Lee - When we're talking about the budget changes from current to executive, of 10 transitions, we've talked before about where people transition to some sort of work program, what are we talking about in those 10 transitions?

Tina Bay - They would transition to our providers, the same setting as the high school graduates, we would transition them into an apartment setting, base supports, etc.

Senator Kilzer - That transition is that through a contract with somebody then or is it just on their own?

Tina Bay - Our human services managers work with the developmental centers at the state hospital on who is appropriate for discharge and then they refer out to the providers and as them of who would be able to serve those clients.

Senator Kilzer - So it's got the Human Service centers that oversee this final transfer out from both the high school graduates and the 10 that have come from the state hospital.

Senator Mathern - These 10 transitions, I presume there is a cost at the state hospital or the developmental center for the care of these 10 people. There are institutional costs and then a community cost. What is the difference between those 2 numbers?

Tina Bay - One of the persons discharged from the developmental center, their average daily cost after living and developmental was $207 per day. Where the developmental center was about $670.

Senator Mathern - Roughly 1/3.

Tina Bay - They cost more when they come out of the developmental center because of additional supports needed to integrate them back into the community.

Senator Kilzer - I remember Alex Schweitzer telling us that the residents that stayed were 6 individuals.

Tina Bay - We have had providers that say they will provide in groups of 5, so they can move faster.

Senator Erbele asked about the Intermediate Care Facility (ICF). If that doesn't exist, where do they go?

Tina Bay - They stay at the developmental center.

Senator Kilzer closed the hearing on HB 1012.

Senator Mathern: Would like to discuss the Autism Spectrum Disorder sometime as it involves this bill. He handed out Autism Spectrum Disorder Waiver Scenarios HB 1012 - attachment # 5.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 Subcommittee
04-02-13
Job # 20793

☐ Conference Committee

Committee Clerk Signature	Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee for Department of Human Services (DHS)

Minutes: See attached testimony 1 - 5

Chairman Kilzer called the subcommittee to order on Tuesday, April 02, 2013 at 4:00 pm in the Senate Conference Room. Let the record show all conferees were present: Senator Mathern, Senator Gary Lee , Senator Erbele

Becky J. Keller - Legislative Council
Lori Laschkewitsch - OMB

Senator Kilzer: The committee does have the list of OARs that we were given. The green sheet is the actions the House made on the executive budget. We also have attachment G which has quite a bit to do with the present biennium figures. We will use this to put together what we are putting out today. We need to have all of the proposed amendments today. Are there subcommittee members that have amendments that have not been discussed or are not on the green attachment?

Senator Mathern: Legislative Council is preparing an amendment for me. It is on 1041. It is regarding guardianship. The goal was to try to figure out what was left once we funded 1041 in terms of what would be done in 1012.

Senator Kilzer: We were talking to Jan Egan and I had the impression the need would be met if we restore the $1 million in the Governor's budget that the House took out and put in at least $1.3 million in HB 1041.

Senator Mathern: That is the amendment Becky J. Keller is preparing.

Becky J. Keller: 1041 isn't' done yet. You wanted a committee added for funding.

Senator Mathern: That was where we wanted the courts, association of counties, and OMB on a committee that does the allocation of this $1.3 million.

Senator Kilzer: The amendment I received was the wage pass through from 50 cents to one dollar for nursing facilities and basic care.

Senator Gary Lee: The other one was the skip up adaptation of $200,000. My amendment was to remove that.

Senator Kilzer: That was a House addition.

Senator Erbele: I want to add that $900,000 to aging services for the senior mills.

Senator Kilzer: (6.58) Senator Wanzek has the interest in restoring the $240,000 for the transitional employee grants. This is for the South Central Human services.

Senator Mathern There is an amendment # 13.8141.02003 and explains the amendment. (He did not produce the amendment for testimony in this meeting.)

Senator Kilzer: Senator Oehlke has the Ramsey County and this is an item that is a social service. They are next to a reservation where they get a lot of needs for social services. Their senior mill levy is not covering it so they are seeking additional funds.

Another request is from Larry Bernhardt. He is asking that we reinstate the post adoption services for $205,000 and guardianship for developmentally disabled was overlooked by the House and that was a general fund appropriation of $356,000.

Senator Kilzer: Senator Holmberg is asking that HB 1438 be attached as an amendment.

Maggie Anderson, Interim Director DHS: It was defeated in the House.

Senator Kilzer: It was for people with intellectual disabilities.

Senator Mathern: The amendment for that item is 13.8141.02011 (he did not produce a copy of this amendment in this hearing) and that is for $75,000 for the northeast and south east human service regions. The appropriation is $300,000 and there would be grants to go up to the Red River Human Service Foundation in Fargo and a Listening Center in Grand Forks but those are not named in the amendment. The listening center is a drop in house for persons with developmental disabilities in the community and for recreation and leisure activities. It is a social center. It is nonprofit and any age is welcome but I think it is mainly adults.

Senator Kilzer: The testimony never got beyond the House.

Maggie Anderson: They were not here for public testimony.

Senator Kilzer: Senator O'Connell wanted seeking a grant for a program. This is that ski thing for $200,000. We are familiar with that. Senator Robinson seeks additional funding for services provided for the Share House. $296,000 is his request.

Senator Mathern: **The Amendment is 13.8141.02001, Testimony attached # 1.**

Deb McDermott, Finance Director, DHS (15.16) $1.7 million is the budget for the Share House.

Maggie Anderson: This would be for psychiatric nurse and family therapy.

Senator Kilzer: The ARK gave us some requests. One was increasing the personal care allowance.

Senator Gary Lee: Are the corporate guardianships different than 1041?

Senator Kilzer: I just received a new request from Senator Cook for HB1358, sections 11 and 12.

Maggie Anderson: One has to do with critical access hospitals in oil counties, that is the $10 million. $6 million would go to nursing homes, intermediate care facilities, and other providers who serve the developmentally disabled. The $6 million would be allocated out based on the number of FTE and the contract staff.

Senator Kilzer: Did you testify on that bill?

Maggie Anderson: No. Those two amendments were added in House Appropriations prior to crossover. Senator Cook asked me to come into his committee.

Senator Kilzer: It looked like it was a commerce type of bill. Does it duplicate or overlap in 1012 or any stand-alone bills?

Maggie Anderson: No, it would be above and beyond anything within the Medicaid rate setting.

Senator Gary Lee: Senator Cook suggested taking money from this and putting it in Human services.

Senator Kilzer: (23.50) There is the autism spectrum disorder in 3 bills. It is in 1038 and 2193. Those are combined.

Maggie Anderson: The House amended 2193 it and now it has a Medicaid waiver proposed in it rather than the voucher system.

Senator Mathern: Handed out an **Amendment # 13.8142.02002 Testimony attached # 2,** that deals with a chart with mental health services. It is a combination of House cuts made to the governor's budget. The amendment number is 13.8141.02002 and it covers the testimony that we got from Alex Schweitzer. I also have another one that relates to the employment benefits counseling for persons served by the department. Another one for the program for infant development caseload projections for $350,000 and that is 13.8141.02005.(he did not produce a copy of this amendment for testimony in this hearing) Then there is one from the lady from UND regarding traumatic brain injury and that is amendment 13.8141.02008 (he did not produce this amendment for testimony in this

hearing) and that is $540,000. The House had reduced the amount and this would go over and above the $320,000 in the House version of the bill.

Senator Kilzer: I don't know if it brings it back to that level or not.

Senator Mathern: I asked Rebecca Quinn from UND to explain what was needed to carry out the program, to make it state wide. There are also the centers for independent living request for $1.9 million. That expands those services to new areas in the state. I do believe we can reduce this to a smaller amount.

Senator Kilzer: Is that the one with four centers of independent living?

Senator Mathern: It is to expand beyond that. There is one in Bismarck, Fargo, Minot, and Grand Forks. It is giving help to individuals and giving them more opportunities to live in the community versus living in nursing homes.

Senator Kilzer: So that is $1.9 million above what it is this biennium?

Senator Mathern $1.9 million was the OAR request brought to us in the full committee.

Deb: The Governor added in $800,000 and currently we have $1.7 million in our budget in 1113 and there was $800,000 added in the executive budget bringing them to $2.5 million in the executive budget.

Senator Mathern: I don't think that total amount has to be $1.9 million. We can probably pare that $1.9 million back. Those were some additional items that people had brought to my attention.

Senator Kilzer: $2.5M is in the executive budget total.

Maggie Anderson: The department has a couple of items. **Testimony attached # 3, #13.8141.02xxx, Proposed Amendments to Engrossed HB 1012.** This is a clarifying language and it is something we came across within the last few weeks. We are looking at things in our foster care and criminal background check area. We are requesting you add in the "and approvals." What is happening today under chapter 50-11, the approvals are comparable to licenses but they are not licenses and we have been requesting background checks for approvals under that section of code and BCI has been conducting those but as you can see from the current language it only says licenses and we are just requesting that be added in to give us the authority for the criminal background checks. No money is needed. BCI is already doing this, it is just clarifying that we have the authority.

Paul Kramer, DHS: I passed out a listing of all of the bills that are out there right now that we have done fiscal notes on. The sheet is in color. **Testimony attached # 4 - Department of Human Services Bills with a Fiscal Impact 2013-2015 Biennium** (Explained the sheet)

Senator Kilzer: Those of us on this committee recognize every one of these.

Senator Mathern: We did have a request to increase the allocation to adult blind services. I don't know if that ever got through a bill but I believe it was $150,000.

Senator Kilzer: This was an add on to 1012 by the House. It was not in the executive budget, but it was $50,000 added on by the House. That is in the green sheet.

Paul Kramer: (37.11) The second hand out is the Engrossed House Bill 1012. Testimony attached # 5. We have two options for the field services two lines. We would still prepare the budget and present our testimony, but this would simplify our life. When we manage our budget, we manage the human service centers as one entity so if clientele shift from one part of the state to another, we do budget adjustments and move funding to follow where the need is and when we get to the end of the biennium we have to make sure we aren't overspending one compared to another. This would allow us to have our appropriation bill more in line with how we manage it. You would never see a difference. We gave you two options. One might be a big step but it would help us immensely.

Senator Mathern: Is the demolition of the two buildings at the developmental in any of these amendments? That was a concern brought to our attention.

Maggie Anderson: We would ask for the governor's budget to be restored there. They reduced that by $140,000

Senator Kilzer: It is on the green sheet. I want to thank Maggie and all her staff for all the information you have given us. We will close the meeting today.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012 subcommittee
April 9, 2013
Job # 21035

☐ Conference Committee

Committee Clerk Signature	Rose Daning

Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the Department of Human Services.

Minutes:

Testimony attached # 1 - 3

Legislative Council - Becky J. Keller
OMB - Lori Laschkewitsch

Senator Kilzer opened the subcommittee hearing on HB 1012. **Senators Lee, Erbele** and **Mathern** were present.

Senator Kilzer: Said we will be going over Amendment 13.8141.02014 (attached # 1) and asked **Becky Keller** to walk through the amendments. (:57-5:54)

Senator Kilzer: In past budgets, have you treated the Human Service Centers and the two institutions all together as field services or is this new this time?

Becky J. Keller, Legislative Council: This is an amendment that the Senate approved. We've normally kept them in the Human Service Centers and Institutions subdivision and they have been listed out separately. We shortened up the bill and put them all in one subdivision with two line items rather than the ten line items. The department has assured you when they report to you at future legislatures they will still provide the information separately. This makes the bill drafting and the amendment process a little easier.

Senator Mathern: With these amendments, there appear to be several items that were in the executive budget but not in here. I'd like to go through that list of items.

Senator Kilzer: How long will it take?

Senator Mathern: Probably five minutes. Handed out a chart and preceded going over the list, (attached # 2). Mr. Chairman you noted the option of offering the amendments to the full appropriations committee. I would ask you and the full committee to consider us having another subcommittee meeting where we would consider some further amendments and take some action. (8:00-11:35)

Senator Kilzer: If you wish to add proposed amendments you must remember we need to make our recommendation to the full committee and we are supposed to have the bills out by Thursday.

Senator Mathern: Would you consider an item that is not a cost item?

Senator Kilzer: I don't think we have time to do that between now and Thursday.

Senator Erbele moved Do Pass on amendment .02014
Senator Gary Lee seconded the motion.

A roll call vote was taken. Yea: 3 Nays: 1

Senator Kilzer - yes
Senator Gary Lee - yes
Senator Erbele - yes
Senator Mathern - no

Senator Mathern: I agree we have many positive things in this bill, but we have an economy that supports many of the items that are not in this bill.

Senator Erbele moved Do Pass as Amended on HB 1012
Senator Gary Lee seconded the motion.

A roll call vote was taken. Yea: 4 Nays: 0

Senator Kilzer - yes
Senator Erbele - yes
Senator Gary Lee - yes
Senator Mathern - yes

Material later turned into the Senate Appropriations office: The North Dakota Disabilities Advocacy Consortium, attachment # 3.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012
04-10-2013
Job # 21073

☐ Conference Committee

Committee Clerk Signature	Alice Dolzer

Explanation or reason for introduction of bill/resolution:
A BILL for Department of Human Services (Do Pass as Amended)

Minutes:

Attached testimony:

Chairman Holmberg called the committee to order on Wednesday, April 10, 2013 in regards to HB 1012. All committee members were present.

Becky J. Keller- Legislative Council
Lori Laschkewitsch - OMB

Senator Kilzer: amendment # 13.8141.02014. Testimony attached # 1. If there are questions, just ask right away. The governor had asked for a hold even budget, and this is not that. Top of page 4, we are restoring the form as in governor's budget. He went on to explain the amendments (1:10- 8:36)

Senator Carlisle: relative to the House, how many $M did your subcommittee add back in the Human Services Budget?

Senator Gary Lee: as I recall the House took about $45M, the amendment we have it restored $29M in the general fund and then about $18.9M in federal funds. Total of $48M, we are probably $2M over the difference. We added 48M back with the federal funds that come over with that.

Chairman Holmberg: It is all at the bottom of page 3, columns entitled: Executive Budget, House Version, Senate Changes and Senate Version.

Senator Robinson: we are down $25 from the governor's executive budget recommendation?

Senator Mathern: if we just compare what the house did with the governor's budget and what the Senate did with the governor's budget, we are still off lower than the governor's budget by $25M, however with these amendments we are adding many things that were not in the governor's budget, so are about the same in the House.

Senator Mathern distributed a spread sheet, Testimony attached # 2, that has three main sections, the House amendments to the executive budget, the proposed Senate

amendments (the ones Senator Kilzer is describing) under the yellow column, the third column is the "remaining changes from the executive budget" that is the items the executive wanted in this budget that are not in the budget. If we pass Senator Kilzer's amendments the 3rd column is still not funded, or not prioritized by the legislature. In terms of the green lines that go across from left to right, the highlighted items are the items that I will talk about after we act on Senator Kilzer's amendment.

Discussion followed regarding Senator Kilzer's amendment and House reductions and proposed Senate additions. (recording segment 16:23 -22:12)

Senator Kilzer moved the amendment # 13.8141.02014. 2nd by Senator Erbele

All in favor say aye. Motion carried.

Senator O'Connell: third one down page 5, this building is called Annie's House they asked for a one time, $200,000 for equipment for kids with disabilities, people from New York helped to put the building together, people have been volunteering all along. (22:58-24:40)

Chairman Holmberg: are we going to have a couple of items like this, better to do them separately. If the committee wants to make a change, Becky would correct the final copy of the amendment to reflect those changes as one amendment. That was confirmed.

Senator O'Connell: I move we put that $200,000 back in. 2nd by Senator Robinson.

Discussion followed. (25:59- 27:27)

Chairman Holmberg all in favor, to add the $200,000: 7 yes; 6 No Motion passed

Chairman Holmberg look at the $150,000 included under the developmentally disabled division, they had requested $300,000 so if the committee added $150,000 (28:11-28:39)

Senator Mathern I would move that we add that $150,000 to that item. 2nd by Senator Robinson

Discussion followed (28:59 - 31:05)

Chairman Holmberg all in favor in adding the $150,000 to recreational programs. Raise your hands 7 yes 6 opposed Motion carried.

Vice Chairman Grindberg: we are now $1.6M from the governor's budget.

Senator Mathern: I handed out two items, the spread sheet, Testimony attached #2 we talked about earlier and a summary of amendments Testimony attached # 4. 2013-15 Biennium Department of Human Services Budget Testimony attached #3. I am asking you to consider all the program needs that are not related to special circumstances. The amendments we just adopted are in many ways special circumstances. I have an amendment drawn out, to put some things back in the governor's budget, that I believe

are important to the proper functioning of the DHS, and the proper services for people around the state. Each and every one of these things has been vetted through the Governor's Office and the Department of Human Services. Testimony attached # 2, green lines and their explanation on #4 amendments:
1. Central Office Operating Budget: $500,000. (34:47- 35:57)
2. Electronic Health Records System: the House removed $5M, I am recommending to put back $2.5M. If we don't' do this, we get fined by the federal government, this is a requirement of CMS we need electronic records. (35:58-36:57)
3. Provider screening and Enrollment: $120,000 it is essentially following through with federal health care reform, so we don't get fines and/or losing a license. (36:58-37:38)
4. Program integrity services: $158,000 the biggest part of our spending is Medicaid we need to make sure we are not making mistakes there. (37:39-38:06)
5. Medicaid grants - $557,000 it is cheaper for the state to pay the insurance premiums than for them to drop their insurance and then go on to a full array of services (38:07-38:45)
6. Developmental Disabilities Grants $975,000 (38:47-39:22)
7. Peer support $300,000 (39:23-39:55)
8. HSC (Human Service Centers Operations) $600,000 (39:56-41:05)
9. Developmental Center Operating costs (41:06-41:22)
10. Demolition of 2 buildings $140,000 (41:22 -41:54)
Put these things in, so that when we go to conference committee, it is closer to the governor's budget recommendation. It is needed to run an efficient dept.; of these amendments say let's do at least a 1/3 of those. I would offer that amendment. (41:55 - 43:55)

Becky J. Keller had said earlier that Senator Mathern is not proposing to add all of it back in, just what is highlighted in green: and that is close to $6M general fund and another $2,405,000 in other funds so we would be that much closer to the executive budget

Senator Mathern handed out the sheet listing programs that need to be addressed regarding HB1012 budget; Testimony attached # 4; and amendment # 13.8141.02017. Testimony attached # 5.

Chairman Holmberg: I am aware that for the demolition of the buildings, there is money already there, but the dept. presented us with evidence that it would cost more. They were told in the House to go to the emergency commission to the contingency fund.

Senator Carlisle: with the subcommittee changes in their priorities. We are within about $2M in general funds off the governor's budget. We are looking at a $2.7B proposed budget for a state with 700,000 people, this one I hope we don't pass.

Senator Robinson said that the grant program in the DD area, involves folks that have mental illness; the open door program in Valley city has had up to 16 residents for up to 19 yrs. these folks would otherwise be in the state hospital if we don't fund the grant program at that $1/2M level. Cost at the state hospital would be more than this funding. 48.47)

Senator Gary Lee: most of the things we did, probably had an increase over the current biennium if parts in there were not adequately funded, what would the alternative be? A deficiency appropriation?

Maggie Anderson: for the Medicaid grant areas, that were not funded, most of those are entitlement we have to pay the bill. If inadequate funding then we will overspend our grants. The other unfunded areas are in our operating area, those will impact contracts we have, services we provide. Those were in the base budget, those are grants and contracts, things we have had in place to support our programs, and we are not sure what we will do in that area. (50:10).

Senator Gary Lee in most cases there is an increase in there over the current biennium?

Maggie: In some areas, yes. There are situations a different contract is needed because of a change in fed requirement. Sometimes there are just inflationary increases of the contracts that are part of the procurement, for example, within the medical services division. There are inflationary increases built in to each renewal period, those increases are in the executive budget (51.04)

Senator Kilzer: in the present biennium there will be a $20M deficit; we deal with it, make it up, it is not like anybody goes without in the end (-51:33)

Senator Mathern moved amendment # 13.8141. 02017. 2nd by Senator Warner.

Senator Mathern: I just want to clarify, these amendments address part of the changes that reflect a different count, and there are two areas that were lowered by the House, that are not in. Amendments represent 1/3 of what seems to be underfunded. Even if we adopt this amendment they are still going to the House with a reduction of over $12M general fund from the governor's recommendation. .

Chairman Holmberg: all in favor say aye. Failed Motion did not carry

Vice Chairman Grindberg submitted Amendment # 13.8141.02015. Testimony attached # 6, (prepared by Senator Judy Lee.) SB 2269 was defeated in the House, allowing state funds match with industry funds to create a health care consortium. Sponsors requested to see if the appropriation committee would add this to the Human Service Budget. (53:46-54:28)

Vice Chairman Grindberg: Moved the amendment # 13.8141. 02015. 2nd by Senator Gary Lee for purpose of discussion.

Discussion followed (54:49- 55:35)

Chairman Holmberg all in favor of the amendment # 13.8141.02015 raise your hands. 6 Yes, 5 no. It passed. Senator O'Connell was absent for this vote.

Senator Robinson: look at page 5, amendment 02014. Under mental health and substance abuse, I would ask the committee to add $146,000 back to the Share House program, they keep people out of prison, and it is a small price to pay

Senator Robinson moved to add the $146,000 back in for the Share House. 2nd by Senator Warner

**All in favor say aye Raise hands 6 yes 6 no Motion failed Senator O'Connell absent **

Senator Mathern: asked to put an amendment on, Testimony attached # 7. Electronic Health Records is needed for accreditation. If we were to adopt this wording, it would give them leeway to work around so not to lose accreditation. It is the position of OMB, that it is needed for accreditation. (Lori Laschkewitsch confirmed that is accurate.)

Discussion followed (1:00:28 -1:02:17)

Senator Mathern moved the electronic Health Records. (Testimony attached #7) 2nd by Senator Warner.

Chairman Holmberg all in favor say aye. It carried.

Senator Kilzer moved do pass as amended on HB 1012. Senator Gary Lee seconded.

Roll Call vote was taken. Yea: 13; Nay: 0; Absent: 0. Senator Kilzer will carry the bill.

Vice Chairman Bowman we are adjourned

2013 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1012
04-12-2013
Job # 21133

☐ Conference Committee

Committee Clerk Signature	Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for DHS (Discussion regarding the Share House)

Minutes:

You may make reference to "attached testimony."

Chairman Holmberg called the committee to order on Friday, April 12, 2013 in regards to HB 1012. All committee members were present.

Allen H. Knudson- Legislative Council
Lori Laschkewitsch - OMB

Chairman Holmberg: We might have had a miscount on one of the amendments that was offered on the Human Service budget. And if the outcome of the vote is different than what was put here, then what I would suggest is that I would do a floor amendment if that was the wish of the majority of the committee but we may have miscounted. During that discussion there was a series of amendments offered. On most of them we raised hands. One of them we had a voice vote. On this one we raised hands. Senator O'Connell was gone. What I need to know is of the 12 people that were here, how did you vote on this issue? Senator Robinson moved $146,000 for the Share House Program. When I did my count, I saw 6 hands, I thought, which meant it died. But one person felt that someone's hand wasn't counted correctly. Does anyone not remember how they voted? It was at the end of all of those things. We had a motion the Annies' House, we had the $150,000 on the recreation centers that had passed, and then Senator Robinson made the motion.

Senator Robinson: It was $146,000 to the Share House Program so they can expand up to five beds for women to accommodate a long waiting list.

Senator Kilzer (2.35) Your subcommittee considered the request for $296,000 and in our report, we did put in $150,000 and one FTE. They had requested two FTE's and Senator Robinson's motion was to add the additional to make it up to $296,000.

Chairman Holmberg: There is not much written on the minutes. The minutes just said "Hands raised - Senator O'Connell gone".

Senator Carlisle: I remembered distinctly the $200 and then I had a note about the $150 and that's the $150 that the subcommittee put in, It came up kind of fast. It was another $146,000, is that right? He was told yes.

Vice Chairman Grindberg: Some don't recall how they voted. Maybe the appropriate thing to do is just do a floor amendment.

Chairman Holmberg: stated he wanted to be sure that what we did in committee was accurately recorded in the records. He then asked Senator Robinson if he would be comfortable with a floor amendment.

Senator Robinson: If all of you would support that floor amendment. We can try a floor amendment, and then if it's successful, it is important to some of us so they can make that expansion and they are going to fall short. Just a little history. If the director of Share House wouldn't be struggling with terminal cancer this would have been dealt with months ago. It fell through the cracks, unfortunately

Chairman Holmberg: Stated as some were not sure how they voted, he recommended that Senator Robinson do a floor amendment.

The discussion was closed on HB 1012 regarding the Share House.

13.8141.02019
Title.03000
Fiscal No. 11

Prepared by the Legislative Council staff for
Senate Appropriations
April 11, 2013

4/11/13
TW

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-24 and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers and"

Page 1, line 5, after the semicolon insert "to provide an appropriation to the department of commerce;"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$31,964,747	$47,346,880
Operating expenses	62,229,003	5,218,982	67,447,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$37,057,329	$114,806,865
Less estimated income	46,573,712	14,422,738	60,996,450
Total general fund	$31,175,824	$22,634,591	$53,810,415"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,906,749	106,880,029
Grants	490,196,862	(35,822,732)	454,374,130
Grants - medical assistance	1,601,650,984	167,844,926	1,769,495,910
Total all funds	$2,234,028,731	$145,563,456	$2,379,592,187
Less estimated income	1,497,456,325	(61,475,771)	1,435,980,554
Total general fund	$736,572,406	$207,039,227	$943,611,633"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,040,662	$174,228,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$13,708,321	$300,128,794
Less estimated income	126,939,489	(4,811,629)	122,127,860
Total general fund	$159,480,984	$18,519,950	$178,000,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$248,293,768	$1,175,522,982
Grand total special funds	1,670,969,526	(51,714,662)	1,619,254,864
Grand total all funds	$2,598,198,740	$196,579,106	$2,794,777,846
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace line 15 with:

"State hospital capital projects	1,800,000	864,714"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,669,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,583,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters."

Page 5, remove lines 22 through 29

Page 6, line 5, replace "$150,000" with "$300,000"

Page 6, after line 30, insert:

"**SECTION 15. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position.

SECTION 16. LEGISLATIVE INTENT - ELECTRONIC HEALTH RECORDS. Because the electronic health records system is needed for the state hospital to maintain accreditation, the removal of the funding in the information technology division does not preclude the department of human services from procuring an electronic health records system if the department can initiate the project within its 2013-15 biennium appropriation for the information technology division or field services division.

SECTION 17. APPROPRIATION - DEPARTMENT OF COMMERCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, and from special funds, derived from private gifts and grants, the sum of $150,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of funding the activities of the health care consortium under section 18 of this Act, as part of the North Dakota 2020 and beyond initiative, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department of commerce may spend funding from the general fund only to the extent special funds from private gifts and grants are received on a dollar-for-dollar basis.

SECTION 18. HEALTH CARE CONSORTIUM - REPORT TO LEGISLATIVE MANAGEMENT AND GOVERNOR.

1. The governor shall appoint a consortium that includes a broad scope of private sector stakeholders, members of the senate and the house of representatives, and representation from the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council. The consortium

shall receive and review information provided by the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council, including the second annual report of the council. The consortium shall provide direct input to the legislative management interim committee that conducts the study provided for under House Bill No. 1034, as approved by the sixty-third legislative assembly. The consortium shall focus its efforts on addressing the immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining medicaid reform, and developing a plan for a private health care model that will comply with federal health care reform in a manner that will provide high quality, accessible, and affordable care for North Dakota citizens.

2. In developing the model health care system, the health care consortium shall:

   a. Consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations.

   b. Determine the scope of the weaknesses in the current health care system and the scope of the model health care system.

   c. Take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of medicaid.

   d. Work to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform.

3. The department of commerce shall contract with a consultant to assist the health care consortium in developing a model health care system as required under subsection 2.

4. The health care consortium shall report to the budget section of the legislative management on the status of funding available and anticipated uses of the funding for the consortium during the 2013-14 interim. Before June 1, 2014, the health care consortium shall report to the governor and to the legislative management on the status of the development of the model health care system as well as any recommendations."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$34,134,833	$2,379,592,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,557,668	$943,611,633
DHS - State Hospital				

Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0
Less estimated income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
DHS - Field Services				
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
Department of Commerce				
Total all funds	$0	$0	$250,000	$250,000
Less estimated income	0	0	150,000	150,000
General fund	$0	$0	$100,000	$100,000
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$49,302,810	$2,794,777,846
Less estimated income	1,613,649,730	1,600,140,061	19,114,803	1,619,254,864
General fund	$1,176,869,527	$1,145,334,975	$30,188,007	$1,175,522,982

House Bill No. 1012 - DHS - Management - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$51,102,214	$34,293,903	$13,052,977	$47,346,880
Operating expenses	72,743,825	67,197,985	250,000	67,447,985
Capital assets	216,160	12,000		12,000
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
FTE	148.10	147.10	0.00	147.10

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Senate changes:				
Administration - Support				
Restores compensation adjustments made by the House		$8,990,339	$4,062,638	$13,052,977
Restores a portion of operating expense reductions made by the House		$250,000		$250,000
Information Technology Services				
No changes				
Total Senate changes - Management	0.00	$9,240,339	$4,062,638	$13,302,977

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	2,334,000	106,880,029
Grants	453,774,130	453,874,130	500,000	454,374,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	31,300,833	1,769,495,910
Total all funds	$2,364,284,108	$2,345,457,354	$34,134,833	$2,379,592,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,557,668	$943,611,633
FTE	342.50	342.50	0.00	342.50

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				

Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations		42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential		78,040	21,960	100,000
Restores a portion of caseload projections reduced by the House for transportation ($250,000) and CHIP ($650,000)		352,500	547,500	900,000
Long-Term Care Program				
Restores a portion of funding removed by the House for long-term care caseload projections as follows: Nursing homes - $955,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		1,122,500	977,500	2,100,000
Restores funding removed by the House for personal needs allowance for basic care ($193,725) and intermediate care facility for the intellectually disabled ($170,280)		278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1		14,858,778	12,728,050	27,586,828
Restores funding removed by the House for infant development caseload projections. The House removed its funding as part of the DD caseload projection reduction.		175,000	175,000	350,000
Aging Services Program				
Restores funding removed by the House for guardianship services		1,000,000		1,000,000
Adds funding for senior meals		900,000		900,000
Children and Family Services Program				
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000. The House added $150,000.		150,000		150,000
Mental Health and Substance Abuse Program				
Adds funding for additional services to be provided by Robinson Recovery Center		150,000		150,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
Adds funding for grants to existing facilities that provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities		300,000		300,000
Adds funding for guardianship services for developmentally disabled individuals		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000. The House added $50,000.		50,000		50,000
Total Senate changes - Program and Policy	0.00	$19,557,668	$14,577,165	$34,134,833

Sections are added for the following:

- Background checks for foster care providers.
- Legislative intent to allow the department to hire a deputy director.
- Legislative intent relating to an electronic health records system.

A section added by the House relating to personal needs allowance adjustments is removed.

House Bill No. 1012 - DHS - State Hospital - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
State Hospital	$73,489,636	$73,064,636	($73,064,636)	
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
FTE	457.45	457.45	(457.45)	0.00

House Bill No. 1012 - DHS - Developmental Center - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Developmental Center	$53,050,470	$52,760,470	($52,760,470)	
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
FTE	392.55	392.55	(392.55)	0.00

House Bill No. 1012 - DHS - Statewide HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Statewide human service centers	$6,069,755	$5,069,755	($5,069,755)	
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
FTE	13.00	13.00	(13.00)	0.00

House Bill No. 1012 - DHS - Northwest HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northwest Human Service Center	$8,958,191	$8,918,191	($8,918,191)	
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
FTE	43.75	43.75	(43.75)	0.00

House Bill No. 1012 - DHS - North Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
North Central Human Service Center	$21,989,171	$21,949,171	($21,949,171)	

Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
FTE	120.78	120.78	(120.78)	0.00

House Bill No. 1012 - DHS - Lake Region HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Lake Region Human Service Center	$12,736,133	$12,696,133	($12,696,133)	
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
FTE	61.00	61.00	(61.00)	0.00

House Bill No. 1012 - DHS - Northeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northeast Human Service Center	$27,882,775	$27,842,775	($27,842,775)	
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
FTE	138.50	138.50	(185.15)	(46.65)

House Bill No. 1012 - DHS - Southeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Southeast Human Service Center	$39,030,472	$37,690,472	($37,690,472)	
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
FTE	185.15	185.15	(185.15)	0.00

House Bill No. 1012 - DHS - South Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
South Central Human Service Center	$16,793,883	$16,753,883	($16,753,883)	
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
FTE	83.50	83.50	(83.50)	0.00

House Bill No. 1012 - DHS - West Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
West Central Human Service Center	$29,826,746	$29,462,590	($29,462,590)	
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
FTE	136.10	136.10	(136.10)	0.00

House Bill No. 1012 - DHS - Badlands HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Badlands Human Service Center	$12,345,718	$12,305,718	($12,305,718)	
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0
Less estimated Income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
FTE	74.70	74.70	(74.70)	0.00

House Bill No. 1012 - DHS - Field Services - Senate Action

	Executive Budget	House Version	Senate Changes[2]	Senate Version
Human service centers			$174,228,688	$174,228,688
Institutions			125,900,106	125,900,106
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
FTE	0.00	0.00	1706.48	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the institutions line item and all of the human service centers are combined into one human service centers line item.

	FTE	General Fund	Estimated Income	Total
Field Services				
[2]Field services - Proposed Senate changes:				
State Hospital				
Restores funding removed by the House for water temperature controls for shower rooms in the LaHaug Building		$75,000		$75,000
Southeast Human Service Center				
Restores funding removed by the House for a 16-unit transitional living facility		$975,000	$325,000	$1,300,000
South Central Human Service Center				

Adds funding for transitional employment grants		$240,000		$240,000
Total Senate changes - Field services	0.00	$1,290,000	$325,000	$1,615,000

House Bill No. 1012 - Department of Commerce - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Department of Commerce			$250,000	$250,000
Total all funds	$0	$0	$250,000	$250,000
Less estimated income	0	0	150,000	150,000
General fund	$0	$0	$100,000	$100,000
FTE	0.00	0.00	0.00	0.00

Department No. 601 - Department of Commerce - Detail of Senate Changes

	Adds Funding for Health Care Consortium[1]	Total Senate Changes
Department of Commerce	$250,000	$250,000
Total all funds	$250,000	$250,000
Less estimated income	150,000	150,000
General fund	$100,000	$100,000
FTE	0.00	0.00

[1] Sections are added to provide an appropriation to the Department of Commerce for funding the activities of the health care consortium and to create the consortium.

Date: 4-10-13

Roll Call Vote # 1

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.8141.02014

Action Taken ☒ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Kilzer Seconded By Erbele

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice Vote - carried

Date: 4-10-13

Roll Call Vote # 2

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number O'Connell adding $200,000 for Annie's House

Action Taken ☒ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By O'Connell Seconded By Robinson

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) 7 No 6

Absent 0

Floor Assignment

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

amendment adopted
hands raised

Date: 4-10-13

Roll Call Vote # 3

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number add $150,000 to make $300,000 total recreational programs (Mathern)

Action Taken ☒ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Mathern Seconded By Robinson

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) 7 No 6

Absent

Floor Assignment

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

Date: 4-10-13

Roll Call Vote # 4

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.8141.02017 (Mathern)

Action Taken ☒ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Mathern Seconded By Warner

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice Vote — failed

Date: 4-10-13

Roll Call Vote # 5

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.8141.02015

Action Taken ☒ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Grindberg Seconded By Lee

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) 6 No 5

Absent 1 O'Connell had to leave for meeting

Floor Assignment

If the vote is on an amendment, briefly indicate intent: raise of hands - passed

voice vote - in question

Date: 4-10-13

Roll Call Vote # 6

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Robinson - add $146,000 for the Shared House

Action Taken ☒ Adopt Amendment ☐ Do Pass ☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Robinson Seconded By Warner

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) 6 No 6

Absent 1 O'Connell

Floor Assignment

If the vote is on an amendment, briefly indicate intent: hands raised - no failed

Date: 4-10-13

Roll Call Vote # 7

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Mathern - electronic Health Records

Action Taken ☐ Adopt Amendment ☐ Do Pass
☐ Do Pass as Amended ☐ Do Not Pass

Motion Made By Mathern Seconded By Warner

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg			Senator Tim Mathern		
Co-Vice Chairman Bill Bowman			Senator David O'Connell		
Co-Vice Chair Tony Grindberg			Senator Larry Robinson		
Senator Ralph Kilzer			Senator John Warner		
Senator Karen Krebsbach					
Senator Robert Erbele					
Senator Terry Wanzek					
Senator Ron Carlisle					
Senator Gary Lee					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

voice vote - Carried

Date: 4-10-13

Roll Call Vote # 8

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☐ Adopt Amendment ☒ Do Pass as Amended ☐ Do Pass ☐ Do Not Pass

Motion Made By Kilzer Seconded By Lee

Senators	Yes	No	Senator	Yes	No
Chariman Ray Holmberg	✓		Senator Tim Mathern	✓	
Co-Vice Chairman Bill Bowman	✓		Senator David O'Connell	✓	
Co-Vice Chair Tony Grindberg	✓		Senator Larry Robinson	✓	
Senator Ralph Kilzer	✓		Senator John Warner	✓	
Senator Karen Krebsbach	✓				
Senator Robert Erbele	✓				
Senator Terry Wanzek	✓				
Senator Ron Carlisle	✓				
Senator Gary Lee	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Kilzer

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

REPORT OF STANDING COMMITTEE

HB 1012, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-24 and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers and"

Page 1, line 5, after the semicolon insert "to provide an appropriation to the department of commerce;"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$31,964,747	$47,346,880
Operating expenses	62,229,003	5,218,982	67,447,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$37,057,329	$114,806,865
Less estimated income	46,573,712	14,422,738	60,996,450
Total general fund	$31,175,824	$22,634,591	$53,810,415"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,906,749	106,880,029
Grants	490,196,862	(35,822,732)	454,374,130
Grants - medical assistance	1,601,650,984	167,844,926	1,769,495,910
Total all funds	$2,234,028,731	$145,563,456	$2,379,592,187
Less estimated income	1,497,456,325	(61,475,771)	1,435,980,554
Total general fund	$736,572,406	$207,039,227	$943,611,633"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,040,662	$174,228,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$13,708,321	$300,128,794
Less estimated income	126,939,489	(4,811,629)	122,127,860
Total general fund	$159,480,984	$18,519,950	$178,000,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$248,293,768	$1,175,522,982
Grand total special funds	1,670,969,526	(51,714,662)	1,619,254,864
Grand total all funds	$2,598,198,740	$196,579,106	$2,794,777,846
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace line 15 with:

"State hospital capital projects	1,800,000	864,714"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,669,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,583,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters."

Page 5, remove lines 22 through 29

Page 6, line 5, replace "$150,000" with "$300,000"

Page 6, after line 30, insert:

"**SECTION 15. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position.

SECTION 16. LEGISLATIVE INTENT - ELECTRONIC HEALTH RECORDS. Because the electronic health records system is needed for the state hospital to maintain accreditation, the removal of the funding in the information technology division does not preclude the department of human services from procuring an electronic health records system if the department can initiate the project within its 2013-15 biennium appropriation for the information technology division or field services division.

SECTION 17. APPROPRIATION - DEPARTMENT OF COMMERCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, and from special funds, derived from private gifts and grants, the sum of $150,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of funding the activities of the health care consortium under section 18 of this Act, as part of the North Dakota 2020 and beyond initiative, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department of commerce may spend funding from the general fund only to the extent special funds from private gifts and grants are received on a dollar-for-dollar basis.

SECTION 18. HEALTH CARE CONSORTIUM - REPORT TO LEGISLATIVE MANAGEMENT AND GOVERNOR.

1. The governor shall appoint a consortium that includes a broad scope of private sector stakeholders, members of the senate and the house of representatives, and representation from the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council. The consortium shall receive and review information provided by the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council, including the second annual report of the council. The consortium shall provide direct input to the legislative management interim committee that conducts the study provided for under House Bill No. 1034, as approved by the sixty-third legislative assembly. The consortium shall focus its efforts on addressing the

immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining medicaid reform, and developing a plan for a private health care model that will comply with federal health care reform in a manner that will provide high quality, accessible, and affordable care for North Dakota citizens.

2. In developing the model health care system, the health care consortium shall:

   a. Consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations.

   b. Determine the scope of the weaknesses in the current health care system and the scope of the model health care system.

   c. Take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of medicaid.

   d. Work to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform.

3. The department of commerce shall contract with a consultant to assist the health care consortium in developing a model health care system as required under subsection 2.

4. The health care consortium shall report to the budget section of the legislative management on the status of funding available and anticipated uses of the funding for the consortium during the 2013-14 interim. Before June 1, 2014, the health care consortium shall report to the governor and to the legislative management on the status of the development of the model health care system as well as any recommendations."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$34,134,833	$2,379,592,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,557,668	$943,611,633
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0

General fund	$4,994,616	$4,394,616	($4,394,616)	$0
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0
Less estimated income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
DHS - Field Services				
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
Department of Commerce				
Total all funds	$0	$0	$250,000	$250,000
Less estimated income	0	0	150,000	150,000
General fund	$0	$0	$100,000	$100,000
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$49,302,810	$2,794,777,846
Less estimated income	1,613,649,730	1,600,140,061	19,114,803	1,619,254,864
General fund	$1,176,869,527	$1,145,334,975	$30,188,007	$1,175,522,982

House Bill No. 1012 - DHS - Management - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$51,102,214	$34,293,903	$13,052,977	$47,346,880
Operating expenses	72,743,825	67,197,985	250,000	67,447,985
Capital assets	216,160	12,000		12,000
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
FTE	148.10	147.10	0.00	147.10

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total

[1]Management - Proposed Senate changes:

Administration - Support				
Restores compensation adjustments made by the House		$8,990,339	$4,062,638	$13,052,977
Restores a portion of operating expense reductions made by the House		$250,000		$250,000
Information Technology Services				
No changes				
Total Senate changes - Management	0.00	$9,240,339	$4,062,638	$13,302,977

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	2,334,000	106,880,029
Grants	453,774,130	453,874,130	500,000	454,374,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	31,300,833	1,769,495,910
Total all funds	$2,364,284,108	$2,345,457,354	$34,134,833	$2,379,592,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,557,668	$943,611,633
FTE	342.50	342.50	0.00	342.50

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations		42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential		78,040	21,960	100,000
Restores a portion of caseload projections reduced by the House for transportation ($250,000) and CHIP ($650,000)		352,500	547,500	900,000
Long-Term Care Program				
Restores a portion of funding removed by the House for long-term care caseload projections as follows:		1,122,500	977,500	2,100,000
Nursing homes - $955,000				
HCBS waiver - $1,000,000				
Expanded SPED - $145,000				

Restores funding removed by the House for personal needs allowance for basic care ($193,725) and intermediate care facility for the intellectually disabled ($170,280)		278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1		14,858,778	12,728,050	27,586,828
Restores funding removed by the House for infant development caseload projections. The House removed its funding as part of the DD caseload projection reduction.		175,000	175,000	350,000
Aging Services Program				
Restores funding removed by the House for guardianship services		1,000,000		1,000,000
Adds funding for senior meals		900,000		900,000
Children and Family Services Program				
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000. The House added $150,000.		150,000		150,000
Mental Health and Substance Abuse Program				
Adds funding for additional services to be provided by Robinson Recovery Center		150,000		150,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
Adds funding for grants to existing facilities that provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities		300,000		300,000
Adds funding for guardianship services for developmentally disabled individuals		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000. The House added $50,000.		50,000		50,000
Total Senate changes - Program and Policy	0.00	$19,557,668	$14,577,165	$34,134,833

Sections are added for the following:

- Background checks for foster care providers.
- Legislative intent to allow the department to hire a deputy director.
- Legislative intent relating to an electronic health records system.

A section added by the House relating to personal needs allowance adjustments is removed.

House Bill No. 1012 - DHS - State Hospital - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
State Hospital	$73,489,636	$73,064,636	($73,064,636)	
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
FTE	457.45	457.45	(457.45)	0.00

House Bill No. 1012 - DHS - Developmental Center - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Developmental Center	$53,050,470	$52,760,470	($52,760,470)	
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
FTE	392.55	392.55	(392.55)	0.00

House Bill No. 1012 - DHS - Statewide HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Statewide human service centers	$6,069,755	$5,069,755	($5,069,755)	
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
FTE	13.00	13.00	(13.00)	0.00

House Bill No. 1012 - DHS - Northwest HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northwest Human Service Center	$8,958,191	$8,918,191	($8,918,191)	
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
FTE	43.75	43.75	(43.75)	0.00

House Bill No. 1012 - DHS - North Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
North Central Human Service Center	$21,989,171	$21,949,171	($21,949,171)	
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
FTE	120.78	120.78	(120.78)	0.00

House Bill No. 1012 - DHS - Lake Region HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Lake Region Human Service Center	$12,736,133	$12,696,133	($12,696,133)	
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
	61.00	61.00	(61.00)	0.00

FTE	

House Bill No. 1012 - DHS - Northeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northeast Human Service Center	$27,882,775	$27,842,775	($27,842,775)	
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
FTE	138.50	138.50	(185.15)	(46.65)

House Bill No. 1012 - DHS - Southeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Southeast Human Service Center	$39,030,472	$37,690,472	($37,690,472)	
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
FTE	185.15	185.15	(185.15)	0.00

House Bill No. 1012 - DHS - South Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
South Central Human Service Center	$16,793,883	$16,753,883	($16,753,883)	
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
FTE	83.50	83.50	(83.50)	0.00

House Bill No. 1012 - DHS - West Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
West Central Human Service Center	$29,826,746	$29,462,590	($29,462,590)	
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
FTE	136.10	136.10	(136.10)	0.00

House Bill No. 1012 - DHS - Badlands HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Badlands Human Service Center	$12,345,718	$12,305,718	($12,305,718)	
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0

Less estimated income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
FTE	74.70	74.70	(74.70)	0.00

House Bill No. 1012 - DHS - Field Services - Senate Action

	Executive Budget	House Version	Senate Changes[2]	Senate Version
Human service centers			$174,228,688	$174,228,688
Institutions			125,900,106	125,900,106
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
FTE	0.00	0.00	1706.48	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the institutions line item and all of the human service centers are combined into one human service centers line item.

	FTE	General Fund	Estimated Income	Total
Field Services				
[2]Field services - Proposed Senate changes:				
State Hospital				
Restores funding removed by the House for water temperature controls for shower rooms in the LaHaug Building		$75,000		$75,000
Southeast Human Service Center				
Restores funding removed by the House for a 16-unit transitional living facility		$975,000	$325,000	$1,300,000
South Central Human Service Center				
Adds funding for transitional employment grants		$240,000		$240,000
Total Senate changes - Field services	0.00	$1,290,000	$325,000	$1,615,000

House Bill No. 1012 - Department of Commerce - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Department of Commerce			$250,000	$250,000
Total all funds	$0	$0	$250,000	$250,000
Less estimated income	0	0	150,000	150,000
General fund	$0	$0	$100,000	$100,000
FTE	0.00	0.00	0.00	0.00

Department No. 601 - Department of Commerce - Detail of Senate Changes

Adds Funding for Health Care Consortium[1]	Total Senate Changes

Department of Commerce	$250,000	$250,000
Total all funds	$250,000	$250,000
Less estimated income	150,000	150,000
General fund	$100,000	$100,000
FTE	0.00	0.00

[1] Sections are added to provide an appropriation to the Department of Commerce for funding the activities of the health care consortium and to create the consortium.

2013 CONFERENCE COMMITTEE

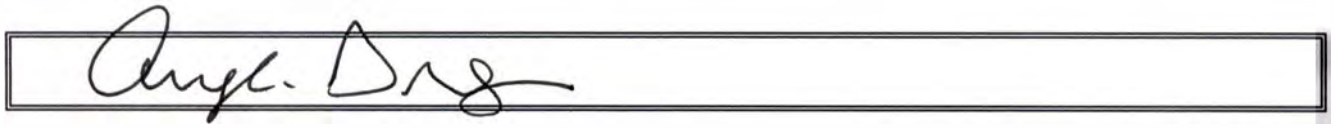
HB 1012

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 19, 2013
Job 21343

☒ Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handout 1*

Chairman Pollert called the committee to order.

Sen. Kilzer reviewed the Senate changes to the bill. (0:01:01-0:12:26)

Sen. Mathern reviewed the Senate floor amendments and reviewed the chart regarding section 21 (handout 1). (0:12:26-0:18:06)

Chairman Pollert: Can we go through some further changes? I see that you put in the $75,000?

Sen. Mathern: Those changes are on page 11.

Chairman Pollert: Yes. Then you restored the funding for the 16 unit transitional center in the Southeast.

Sen. Mathern: Correct.

Chairman Pollert: What is the $240,000?

Sen. Kilzer: That is the progress in Jamestown.

Chairman Pollert: What is section 7 about?

Sen. Mathern: That was described by Sen. Kilzer. It basically is making sure that we have not only licenses, but approvals clearly addressed.

Chairman Pollert: Section 15 is the deputy director. You're saying that if they need to hire a deputy director, it's going to come out of the vacant FTE list?

Sen. Kilzer: Yes.

Chairman Pollert: If the DHS is going to have funds available they can start working on the $5M?

Sen. Kilzer: That is true. This is an all or none situation. This is off the shelf.

Chairman Pollert: Can you go through the language in section 18? Are 17 and 18 related?

Sen. Kilzer: Yes. This has to do with the second report that has come out of the advisory council to the medical school. They have done a large study on two occasions and put together what they think will be the health care needs for the coming years.

Chairman Pollert: This is the wording for the report of what they want to do in section 18?

Sen. Kilzer: Yes.

Chairman Pollert: When we come back, I would ask for an explanation of why we need the bill on the health care consortium dealing with mental health that the House had defeated that is being reconsidered. When we get back to discussions, why do we need the other bill because this looks all encompassing? I would like to have that answered. Is the Share House the Robinson Recovery Center?

Sen. Kilzer: I know that the Robinson Recovery Center was a little short of cash in the present biennium and the Share House is where they went to get additional funds. They are closely related. Robinson is the biggest part of Share House.

Sen. Mathern: Robinson is a program of the non-profit organization called Share House.

Chairman Pollert: Does anyone have any questions on the amendments?

Sen. Mathern: I would point out one other minor change. That is, we're changing the way the budget is presented so that the Human Service centers funding would appear at the end of the process with all the amendments adopted as one line item.

Becky Keller, LC: On page 2 of 05000, we would now have a field services subdivision and then all the institutions rather than having all the human service centers as their own line item. You will still receive the detail for each human service center, but we are going to try this for the ease of preparing the bill and the amendments and tracking the funding.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
4/20/13
Job 21358

☐ Conference Committee

Committee Clerk Signature	Meredith Trachsolt

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to provide for intermediate care facility construction review; to amend and reenact subdivision f of subsection 2 of section 12-60-24 and subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to criminal background checks for foster care providers and definitions for expanded service payments for elderly and disabled; to provide an exemption; to provide an appropriation to the department of commerce; and to provide a statement of legislative intent.

Minutes:

You may make reference to "attached testimony."

Rep. Pollert: Called the committee to order and all conferees were present. Going forward, we will be meeting longer and more frequently. Does anybody have any questions on 1012?

01:35
Sen. Mathern: I have two documents I would like to hand out with further explanation of what we did in the Senate. I asked for a further explanation of our amendments about the healthcare study, see Attachment 1. This was not to take the place of or include the issues of mental health, which they believe are a significant, separate issue.

04:20
Rep. Pollert: I carried SB 2269 to the floor with a Do Not Pass, and it failed on the House side. Our thoughts were that the issue was going to be studied anway, and we also have HB 1034. That is a point of contention right now; we will have a discussion on that.

Sen. Mathern: I think this group felt confident that it was important a study be done in addition to what we do as legislators, and an independent study might have less bias built into it. I don't think the business community was saying, don't do it as a legislature, but more that they wanted to make sure the private sector was doing a study, but that we were major players in that study.

Rep. Pollert: If I'm correct, couldn't the executive branch create a consortium and do their own study anyway, including private industry? I have a problem with that many groups involved; I don't think you'll get a consensus.

Rep. Bellew: The Senate did add money in this budget for the study, is that not correct?

Sen. Mathern: Yes, there is some money in here.

Rep. Bellew: That is going to be a match if it stays in? Dollar for dollar, or one for two?

Sen. Mathern: I think that item is negotiable.

Rep. Pollert: I pulled the old SB 2269 out; you said it was $250,000? In the old bill there was an appropriation of $150,000, which was a match from special funds, gifts, and grants.

Sen. Mathern: This would be section 17. If it would be acceptable, I will go to the ND Chamber of Commerce and ask them to work with us in terms of coming up with a final financing package for this that they would be willing to consider. I will bring that back to the committee.

Rep. Pollert: You can bring that forward; we'll still have to have a discussion about whether the House wants to agree with that or not. You have another hand out?

09:08
Sen. Mathern: Yes. He distributed and went over Attachment 2, adding the following dollar amounts to his explanation: Electronic Health Records is $5M.

11:28
Rep. Pollert: But there is intent language that if they find the money, then they would do the project. I would say with the Senate amendments, they would not have any problem funding electronic healthcare.

Sen. Mathern: I understand, I just want to clarify the items not funded and the price tags of those items. Provider Screening and Enrollment is $120,000; Program Integrity Services is $158,000; Medicaid Grants is $557,000; Developmental Disability (DD) Grants is $975,000; Peer Support is $300,000; Human Service Center (HSC) Operating was in the Senate amendments.

15:03
Rep. Pollert: When we get to that particular discussion, I'll want to go over that. I understand you put back the $1M the House had taken out. I would have to believe there is a little room for some reductions in a $150M budget.

Sen. Mathern: I believe the Central Office Operating and HSC Operating are base operations of the department. It's difficult for that to be carried out if all of these other things are reduced. We'll get to that. Continued going through Attachment 2: Devleopmental Center Operating is $150,000; Demolition of Buildings is $140,000. I wanted to bring to everyone's attention that even though the Senate budget is about the same as the governor's budget, there are many things in the department that are not funded.

Rep. Pollert: Any questions, committee? I'm sure during our discussions, these will come up. I am working on gathering information on some of these. We might be in agreement on some of these. Any other questions on these handouts? I don't think we played with the caseload numbers like we have in the past. We did look at CHIPS, and I think the Senate put money back in there, and on the transportation side as well, and long term care. I'd like to have a discussion on why we had them go through what they brought forward, and we'll ask for more explanation of the changes. I'd like to start that process. I'd like to start on page 6 of amendment .02026, the final amendment. I'd like any questions to come up now, so we can understand why the Senate did what they did, and we can take it from there.

20:35
Rep. Bellew: We reduced $750,000 in operating, and it looks like the Senate restored all that plus added $700,000 federal dollars?

Rep. Pollert: The department prepared some useful handouts for us, make sure you have Attachments 3 and 4.

Rep. Bellew: The amendments only show a $250,000 general fund increase. I'm confused as to how this works. It's page 6 of the amendments.

Sen. Kilzer: The House had removed $750,000, and we put back $250,000.

Becky Keller, Legislative Council: If you are looking at Attachment 3, under Senate amendments, that's what would have needed to be done to bring them back to whole; we did only restore $250,000 from general.

Rep. Pollert: There are floor amendments also.

23:40
Sen. Mathern: We should probably have something that combines all those amendments. In the subcommittee work, we restored $250,000; in floor amendments we restored another $250,000. The entire bill puts the central operating level at the governor's recommendation.

Rep. Bellew: Plus $700,000 in federal funds, right?

Sen. Mathern: Right. That handout from yesterday about floor amendments is only a portion, it only addressed the House and Senate bills that were funded.

Rep. Pollert: So that dollar amount is part of the section 21 appropriation in the 05000 version?

Keller: Section 20, the $1.1M.

Rep. Pollert: There was $1M out of HSC....

Sen. Mathern: The amendment that we talk about at $1.1M includes the operating budget and the HSC. HSC is only $600,000. That is the central operating functions of DHS.

Rep. Pollert: It was $600,000 general funds that the House took out of HSC, and you're going to have federal funds coming in there.

Rep. Bellew: They put back in everything we had asked to take out; that does not correlate to upping the central office operating budget.

Sen. Eberle: They are in sections 20 and 21.

27:05
Rep. Pollert: And section 19. Going off of the 05000 version of the bill, the impacted sections totaled $1.1M, $600,000 from general funds and $500,000 from the other parts of the department.

Sen. Mathern: Correct.

Rep. Pollert: In section 21 are the six bills that had Fiscal Notes that are a cumulative of the $1.243M general funds.

Sen. Mathern: That is correct. The amendments were drawn in such a way to draw the maximum federal match. For the operations of the central office and the HSCs, every dollar put in would be matched by a federal dollar.

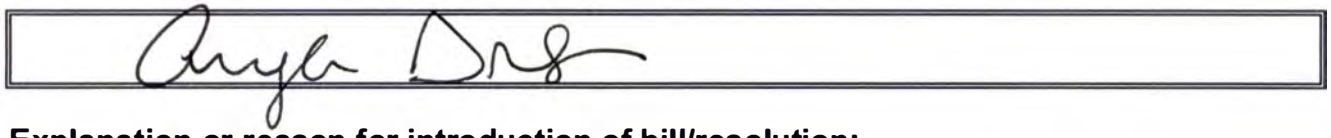
Rep. Pollert: We'll start off there when we start again on Monday morning. We are adjourned for the day.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 22, 2013
Job 21396

☒ Conference Committee



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Minutes: *Handout 1*

Chairman Pollert called the committee to order and reviewed amendments previously discussed. We'll start on section 21.

Rep. Bellew: Could one of the Senators explain? These were passed in both the House and Senate with fiscal notes, correct?

Sen. Mathern: Yes, the items under section 21 relate to the chart that I previously handed out. The chart noted 15 bills that the House and the Senate were deliberating that could have some impact on DHS. The amendment on section 21 just deals with some of those bills. We can go through the amendments individually.

Chairman Pollert: Did you want Sen. Mathern to go through each of those bills?

Rep. Bellew: Yes. What is on the sheet and what is on the total general fund appropriation on the amendment; I don't see a reference to $1.243M in general funds.

Chairman Pollert: Sen. Mathern, could you go through that? Could LC add those up?

Sen. Mathern reviewed the bills. (0:04:16-0:07:12)

Rep. Bellew: On HB 1362, I thought that was supposed to be all federal dollars? Why are there state dollars included? Also, I don't remember the 3 employees being part of that bill either. Was that in the original bill?

Sen. Mathern: It was not clearly spelled out in the bill but it was in the testimony the department provided to the House and Senate. Neither of us put it in the bill. The testimony was there that it is going to take 3 FTEs and that it's going to have a general fund

expenditure of $248,000. Neither the House nor the Senate put those FTEs or the general fund expenditure in our bill; we just passed it the way it was.

Chairman Pollert: But SB 1233 is not included in the $1.243M, correct?

Sen. Mathern: That is correct. It kept that out because that still hadn't been acted on.

Chairman Pollert: And neither is 1360? That is permissive language.

Sen. Mathern: Correct. It might be difficult for 1360 to actually happen if we don't fund the department in these other areas.

Chairman Pollert: Rep. Bellew, I do remember a discussion on the 3 FTEs.

Rep. Bellew: On HB 1176, there is a small general fund appropriation. I thought those were all federal programs. I don't know why there is a need for any general funds there.

Sen. Mathern: There is a portion of our administering those programs and that is the amount.

Chairman Pollert: Any other questions on section 21? Those have been passed in both the House and Senate.

Sen. Mathern: I did approach the appropriation committee about putting these bills into 1015, because it is inappropriate to assume that it should be in 1012 because these are decisions made outside of 1012. But the appropriations committee in the Senate requested that these bills be put into the 1012 bill.

Rep. Bellew: Why were these floor amendments not put on during your appropriations committee?

Chairman Pollert: Was section 21 through whole appropriations or a floor amendment?

Sen. Mathern: Section 21 was a floor amendment, but it was passed by the Senate. There were all of these orphan bills that we didn't pick up until the end, so we didn't really deal with them individually.

Chairman Pollert: Sections 19, 20, and 21 were floor amendments, correct?

Becky Keller, LC: Yes.

Chairman Pollert: Could you tell us which in the 5000 series were floor amendments?

Becky Keller, LC: I think the floor amendments were 19, 20, and 21.

Chairman Pollert: I would like to go to page 6. I suspect, Becky, you will have an amendment coming for the compensation?

Becky Keller, LC: Correct.

Chairman Pollert: Is the $250,000 under admin support part of the $1.1M?

Sen. Mathern: Yes.

Rep. Bellew: No.

Becky Keller, LC: I don't think it is. The first 250 was put in.

Chairman Pollert: Long-term care.

Rep. Bellew: On the nursing home beds, I would like to know how they got their figures.

Chairman Pollert: Does anybody want to explain that?

Sen. Mathern: We heard the testimony from the department and the long-term care association and both were consistent with the Governor's budget. There was no indication that those numbers were going down.

Chairman Pollert: Reviewed DD. In previous biennium, I would say the House has been pretty accurate on the long-term care caseloads. I don't think we touched DD in the last biennium because we thought if there was going to be any DD projections that they would use to move people from the developmental center out. We talked about taking out 75 from the long-term care beds.

Sen. Mathern: I believe in the DD providers, that you had a reduction of about $975,000 from the Governor's recommendation and we did not restore any of that in the Senate. There is a considerable reduction. I thought if you want to do that reduction, it's a service. If we don't fund it now, but the need is there, it just comes back in a deficit budget request because by law we have to serve those people.

Rep. Bellew: My recollection for DD is we pulled 2.3, 1.15 general and the Senate put back in 175 or something. There is still a reduction in that portion of long-term care of 1.9M from the Governor's recommendation.

Sen. Mathern: I thought it was 975,000.

Becky Keller, LC: Rep. Bellew is correct.

Chairman Pollert: The House had spent some time dealing with the personal needs allowance. There was one area where we agreed to raise the personal needs allowance and then the other ones we were just going to start on a particular date and go to CPI. I take it all that language is pulled out? So you're putting in the personal needs allowance for basic care and the intermediate care facilities; the 278,850. Basically the Senate doesn't agree to go to a CPI? You just want to do the personal basic care?

Sen. Erbele: That is correct. The numbers on the CPI move in incredibly slow increments. Every several biennium, we can look at it and just do a lump increase rather than having such a slow movement in it.

Rep. Bellew: If I remember right, for long-term care skilled nursing we would go from 50 to 65. For basic and DD, since that was last raised in 2010, I think that's why we didn't want to raise that at this time and just go with an inflator henceforth. In long-term care skilled nursing, I think the last time it was raised was in 2002.

Chairman Pollert: That's what my notes show. Basic care and ICF 70 to 85 went in effect January 1, 2010. Our thoughts were to go to a CPI and get everybody on the same page and not have to deal with it every session.

Chairman Pollert: Would anybody like to address the increase from 50 cents to a dollar? The House had agreed to the Governor's package on the 50 and the 4 and 4.

Sen. Kilzer: We're impressed by the high turnover, the difficulty in filling the positions, competition with other better paying jobs; it all adds up to a very difficult situation. That is why we did raise it an additional dollar per hour. We felt it's needed.

Sen. Erbele: Especially in my area, they're having to go to a lot of contracted services, that are higher than having a steady employee. There is a real need to add some stability to the on-staff support people.

Chairman Pollert: Did the Senate have any discussions on the $27.5M, of a discussion of a 3 and 3, 2 and 2, 1 and 1, 3 ½ and 3 ½ on the inflators?

Sen. Kilzer: Yes there was. We were thinking 4 and 4.

Chairman Pollert: So the discussion was to fund the 50 cents and not try to balance it from the inflator? Was there any discussion of going 3 ½ and 3 ½?

Sen. Kilzer: No, we only talked about 4 and 4 and the $1. The wages are terribly much behind. It's a matter of not only keeping up, but it's catching up.

Chairman Pollert: When you have a community with nursing homes separate from the hospitals, is there a competition there for wages? Does one off-set the other? If we give a raise to long-term care then does the hospital has to catch up?

Sen. Kilzer: No, I don't think in general hospitals and nursing homes are in competition with each other. They each have their own third party payment system. The desires of the workers and work satisfaction is quite a bit different. I'm sure there's some, but not a lot.

Rep. Bellew: Did the Senate consider anything other than $1?

Sen. Kilzer: No, I don't think we did.

Sen. Erbele: We are committed to the dollar; we didn't consider anything else.

Sen. Mathern: I think it came down to support of that much earlier than in other sessions. There seemed to be wide-spread support to move it to that level from the beginning.

Chairman Pollert: A little discussion on aging services guardianship. There is HB 1041 out there. The House looked at HB 1041 as maybe an instrument for guardianship so we removed the $1M, and the Senate added that back in.

Sen. Kilzer: That's correct. The Senate considered guardianship in 1012 and 1041. We lowered the appropriation in 1041 and we restored the $1M in 1012.

Sen. Mathern: The funding for 1041 is still being debated. Right now there are some amendments being proposed on 1041 to decrease that amount and require counties to pay half of it for four years for existing wards and just take over the new wards. The money in here is separate and distinct from the money in 1041 in terms of the service program. 1041 begins the process where the state begins funding public administrator of guardianships that are now supposed to be funded by the counties. That's more of the core of 1041. They are thinking of reducing the appropriation and to have counties pay for four years, where presently, 1041 would start the state paying for those things this biennium.

Sen. Kilzer: Where is this going on?

Sen. Mathern: In the discussion for conference committee for 1041.

Sen. Kilzer: Who has it?

Sen. Mathern: The House policy committee chairman is Sen. Weisz and he is chairing the conference committee on 1041 and Sen. Lee and myself.

Chairman Pollert: It is Rep. Weisz, Rep. Wieland, and Rep. Holman. When 1041 left the House it was not doing anything with the present people. During the conference committee's deliberations, they found out the counties aren't really funding anything, or they were dropping back, so there's an amendment for them to fund half.

Sen. Mathern: The amendment that Rep. Wieland has brought forward is that the counties would fund the cases for four years at half for past wards, but that the state would fund all new guardianships starting this biennium.

Rep. Bellew: Explain to me again what guardians do. This is totally new funding in this budget and it's basically new in 1041. Why is it necessary to do it now and not in the past?

Sen. Mathern: Explained guardians. (0:38:30-0:40:58)

Chairman Pollert: I think we thought there was overlap in the people being served between 1014 and 1012.

Sen. Mathern: The chart shows it isn't. (Handout 1)

Chairman Pollert: The people who are eligible says "All incapacitated, but not DD eligible". It sounds like there is overlap.

Sen. Mathern: But when you go further and note the program purchases, there is no overlap.

Rep. Holman: I think it's important to note that because of someone not having a guardian, there may be a financial responsibility passed on to the state.

Sen. Mathern: Gave an example.

Chairman Pollert: Didn't we have only about $30,000 or $50,000 in total guardianship last biennium and now we're going to $2.4M?

Rep. Bellew: On the bottom of this sheet it is says that 1041 "does not contain funding for vulnerable adult protective services" but in the next column it says "contract for 4 vulnerable adult protective service staff". What is the difference?

Sen. Mathern: I would say the clarification is that 1041 doesn't have vulnerable adult protective services; 1012 does. One is the assessment and determining if there is a need; the other is meeting the need.

Chairman Pollert: It's amazing that we can go from $70,000 to $2.4M.

Sen. Mathern: The request was here last time too, we just didn't fund it.

Rep. Bellew: What does the ombudsmen program do? Isn't that the same thing?

Sen. Mathern: Generally we use the ombudsmen to provide a general protection for persons that in our institutions already.

Chairman Pollert: If you have any questions on certain programs, do it in between conference committees. Senior citizens meals. The Governor's budget was $800,000, the Senate added another $900,000, and then there's a mill that went from .75 to .85 and we also have $1.1M in the DOT.

Sen. Kilzer: That was the testimony we heard about the need out there. We accepted the request.

Chairman Pollert: Did you take into account the House bill for the .85 mill as well? Were you aware that was out there?

Sen. Kilzer: I don't think I did at the time.

Sen. Erbele: I wasn't aware of the increase in the senior mill match until you mentioned it.

Sen. Kilzer: The testimony we got was also about every time you keep people with adequate nutrition, there's more time before they have to go into a nursing home.

Chairman Pollert: Children and family services. I think we need a language amendment in there.

Rep. Bellew: I would ask council, what is this particular county getting right now?

Becky Keller, LC: I'll find out.

Rep. Holman: We do give extra in populations that are on reservations. This is a county that is adjacent to and heavily impacted by a reservation.

Chairman Pollert: Also affecting this is HB 1233.

Sen. Erbele: The need for that county is $700,000. We're doing $300,000 here. So we're still short of getting them to where they need to be.

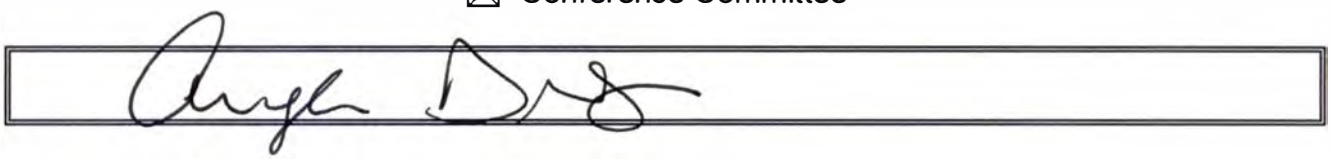
Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 22, 2013
Job 21408

☒ Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order.

Becky Keller, LC: To answer Rep. Bellew's earlier question, Ramsey County does not receive any funding in the community allocations.

Rep. Bellew: Is that because there is not a reservation in Ramsey County?

Becky Keller, LC: Correct.

Chairman Pollert: On page 8, the Robinson Recovery Center. I need further explanation.

Sen. Kilzer: The request was for $296,000, 2 FTEs and 5 female beds. They have 40 beds at the present time; 30 male and 10 female. We put in $150,000 and by floor amendment, the additional $146,000 was added onto the bill. This is additional.

Rep. Bellew: Where are they going to put these 5 beds? Do they have room or are they adding on or remodeling?

Sen. Kilzer: I don't know.

Sen. Mathern: I think they have some space. It is more like an apartment complex and there would be some space there.

Chairman Pollert: That was #9 on their OAR priority list.

Sen. Kilzer: On the OARs, this was 9 out of 36. We've seen a similar request before.

Chairman Pollert: There were 36 requests and they had a priority rating of 10. Under the DD division, there was $300,000 added for leisure, recreational and educational programs. Was that an OAR?

Sen. Mathern: There are facilities in Grand Forks and Fargo that provide social space for persons with developmental disabilities. They are used for education of these clients of the DD facilities, and leisure and recreation. The amendments came into the committee from the facilities.

Chairman Pollert: That wasn't on the OAR list as something that came forward, so Senate appropriations thought it was appropriate so you funded it?

Sen. Mathern: Right.

Rep. Holman: It is also Wahpeton. There are people in the DD program who are in independent living situations. This provides day-time activities for a lot of people.

Chairman Pollert: Is this something that is done state-wide or is it just for 1 or 2 facilities?

Sen. Mathern: This money goes to non-profit organizations that operate these facilities. I think the number of persons who are DD is higher in Fargo and Grand Forks than the rest of the state. There is a scale that is large enough to support a separate facility in these two communities. But there is a need all over the state.

Chairman Pollert: Is this similar to the social clubs from the human services center?

Rep. Holman: Half of the $300,000 would go to Red River Human Services Foundation and LISTEN in Grand Forks. It supports about 900 people. It costs 46 cents per day per person. It buys food, activities, and support.

Rep. Bellew: What is the difference between this and the social clubs that we have in the human service centers in their budgets? Is there any difference?

Sen. Mathern: I presume this would be a grant to these facilities. The state could operate and run these facilities. It's seen as more efficient to contract this out to non-profits.

Sen. Erbele: It would be specific to the DD population only.

Chairman Pollert: It would go out in a grant line item to the Red River Human Services Foundation and they would make it work into LISTEN in Grand Forks?

Sen. Mathern: Yes. When we're talking about the other social centers, we're also talking about the facilities that serve persons with mental illness.

Chairman Pollert: The next section, adds funding to the guardianship services for DD.

Sen. Kilzer: This is what is called the corporate guardianship.

Chairman Pollert: You are enhancing the Governor's budget on the corporate guardianship by $100,000?

Sen. Kilzer: Yes.

Chairman Pollert: How about a discussion on hiring a deputy director? Isn't there a section on that too?

Sen. Mathern: There is intent language permitting the department to have that deputy director within the resources; page 2, section 15.

Chairman Pollert: Read from the bill. It's just taking one of the vacant FTEs?

Sen. Mathern: Yes. Most of the entities of state government have a deputy director. It seems that it would be important that there is this opportunity in this department.

Rep. Bellew: It was presented to us in testimony that they haven't had a deputy director for 4 bienniums. Why do they need one now?

Sen. Erbele: The position has been empty since 2006. As you know, we're in an interim director position right now. At that point, the director chose to structure the department in a little different way. If we have a new director, we may want to allow that flexibility for a new director to have a deputy.

Sen. Kilzer: Most departments in the state have a deputy director that is used in different ways within each department. It doesn't add an FTE. It leaves it open to the new director on whether they will want and use a deputy.

Chairman Pollert: Then there is legislative intent related to the electronic health records system; that is legislative intent language in section 16.

Sen. Mathern: There was an attempt to put the $5M in for the electronic health record, which did not go. Then there was a discussion about trying to put $2.5M in this biennium and $2.5M the next biennium, and that didn't go. This was the last attempt to address that. Not only is the electronic health record important for increasing the quality of services and referrals, but there is also a reduced payment or a fine from that federal government. This is something that we need to fund or it will cost somehow in another way. It also has the potential of threatening the accreditation of the state hospital. This amendment is an attempt to provide some latitude.

Chairman Pollert: I believe the $5M was pulled more out of a sense of frustration with the MMIS project. Then we got information that the county eligibility computer system that was funded in the special session will have a new fiscal note. We didn't know if, on the Senate side, they were going to find out what the penalties were going to be if they didn't get it or what it would mean for accreditation.

Sen. Kilzer: I had a different reason for not being too enthusiastic at the present time about this $5M expenditure. First of all, it has no interdependence with MMIS. It is an off-

the-shelf type of software program. At the federal level, this whole thing was being pulled back for an additional period of public testimony and the finality of the administrative ruler was being considered to be put back for 3 years, until December 31, 2016. One of the big issues at the national level is self-referral. They don't like physicians and hospitals to own this and have a monetary gain by self-referral. My experience with software off the shelf is that it gets cheaper as time goes by.

Chairman Pollert: Could you repeat the part about 2016?

Sen. Kilzer: It is scheduled at present to be in place by the end of this year. They are considering delaying this until the end of 2016. It's not finalized yet.

Chairman Pollert: When you say they, do you mean the DHS?

Sen. Kilzer: CMS

Chairman Pollert: The intent language says to initiate the project within the 13-15 biennium appropriation for the IT division or the field services. It looks like if they have roll-up dollars in the IT division or in field services, which is human service centers, state hospital, and developmental center, that those savings would be there to fund $5M? We do give the department discretion to move dollars around.

Sen. Mathern: I think it's a little broader in that there is an appropriation in the information technology division that can probably cover the whole agency. Field services is another option. There is a lot of money that is spent in information technology in the entire department. I would see the amendment as being broad enough to transfer money from any of those programs, if there is money available.

Chairman Pollert: If we had a $5M not occurring cost for MMIS because everything worked, they could fund it out of that?

Sen. Mathern: I would think so.

Chairman Pollert: We are to the human service centers on page 11. We didn't feel having a cold shower was a big deal, but you put it back in.

Sen. Mathern: It's not a matter of just a cold shower; it's accreditation of the facility.

Chairman Pollert: Over hot and cold?

Sen. Kilzer: I'll use the words safety issue.

Rep. Bellew: My kids understood at age 2 or 3 that the water was too hot. I don't understand the need for this.

Sen. Mathern: I presume that your children are not seriously mentally ill.

Chairman Pollert: Those controls have been there for decades and now it's an issue.

Sen. Erbele: It falls into life safety code issues. They need to be replaced.

Chairman Pollert: Southeast human service center. The House pulled out the 16 unit transitional center and the Senate put it back in.

Sen. Mathern: What has happened is we have continually put pressure on the state hospital to reduce population. It is clear between the hospital operations and the human service centers that many of the people that come back into acute care need some alternative methods. They have a safe place with supervision where they can take their medications and receive the therapy they need to keep them out of the state hospital. I believe the 16 bed facility is suggested in Fargo because of the higher population. Any time Fargo can keep someone in a local facility that isn't a hospital; it's not only serving that individual, but reducing the costs of acute care at the state hospital. I think they would do a contract with a local provider.

Rep. Bellew: By doing this, we should be able to reduce the operational expenses in either Jamestown or the developmental center?

Sen. Mathern: I would say by doing this, we don't have to increase the state hospital budget. If we don't do this, we should increase the state hospital budget because that's where these 16 people will show up. It's more expensive. It's about half the cost in this kind of facility as it is in the state hospital.

Sen. Kilzer: Most of these people are in the Fargo area and they show up in the emergency room at the local hospitals, which is about 4 times as expensive as this transitional living facility would be.

Chairman Pollert: I think Sen. Grabinger had a bill that failed on the Senate side and this is funding that was added back in through the DHS budget, correct?

Sen. Mathern: It's basically related to supports for employment. Getting people counseling and mentorship to retain employment.

Chairman Pollert: The Department of Commerce. Is that the funding for the health care consortium? The House defeated that in 2269 and the Senate put it back in as amendments to 1012.

Sen. Mathern: That is correct. One of the things Rep. Bellew brought up was the issue of match. The cost of the study is anticipated to be about $250,000. What is requested from general funds is $100,000 and there would be $150,000 from grants and private contributions.

Chairman Pollert: The Senate had agreed to the operating expenses. We reduced operating expenses at the state hospital by $350,000 and you put back in the $75,000. Did we do something also at the developmental center, $250,000?

Sen. Mathern: So we're still short $290,000 at the developmental center from the Governor's recommendation.

Chairman Pollert: Would you explain?

Sen. Mathern: The developmental center asked for an additional $300,000; $150,000 of general funds and $150,000 matching funds which was reduced in the House amendments from the Governor's recommendation. The House also reduced what was considered needed to demolish the buildings there. The request they made was $140,000 more than the House approved in the budget. That's not funded in the Senate amendment.

Chairman Pollert: The OAR was $360,000 for both buildings. The House had taken it down by $140,000 and we put intent language in saying that we do want to see both buildings taken down, if they had to go in front of the emergency commission if the dollars were more. I thought a member called to get some bids and that's why we had the language put in like it was.

Sen. Kilzer: There is a diversity of estimates on that because it's not known about the asbestos, which can make a big change. Did we reduce the state hospital budget by $300,000 for the progress thing when we brought back the $240,000 for the south central human service center for the employment of the severely mentally disabled? Was that part of the $350,000 that we reduced the state hospital by?

Becky Keller, LC: No.

Chairman Pollert: The way it looks, you added $240,000 to the south central human services budget and kept the $350,000 out from the state hospital.

Sen. Kilzer: Because both the south central human services and the state hospital do some follow-up of their discharged patients as far as trying to get them employment.

Chairman Pollert: The House side had reduced it $140,000 for Pleasant View and Refectory. We said they should find another $150,000 in operating expenses. During our detail, the state hospital and the developmental center had passed their stack tests. We asked if their utility was going to be as high since they passed. They said no, that there could be some reductions to the budget for that.

Sen. Erbele: If I remember, the savings on the stack tests only amounted to about $55,000.

Chairman Pollert: On the House side, when you look at the developmental center's budget, it's $53M of which $25M is general funds, and we're asking them to find $150,000 in operating expense. That's part of the reason we asked for the study for the developmental center as far as efficiencies. Is that language still in the bill?

Becky Keller, LC: Yes.

Chairman Pollert: The House's version of the state hospital was for similar reasons.

Sen. Mathern: I would add that the state hospital has been funding programs, for example the $240,000 on the employment program. The state hospital has used money that they

didn't need in one area to help in another area. The history of their expenditures is such that they get it close to what they need and if that isn't the case, they help some other within the human service system. It's starting to work like a system between the human service centers and the state hospital. It would be money well spent that we fund them to the Governor's level. History shows that it's not a padded budget.

Chairman Pollert: Any other questions on the amendments? Any questions on the 05000 version? Becky, do you need to do some numerical corrections?

Becky Keller, LC: What I would like to do is take sections 19 and 20 and move them up into the subsection subdivisions on the first page of the bill. Then eliminate those sections.

Chairman Pollert: Do you want to do that or wait? That was the recommendation from the Senate as far as moving all the human service centers and institutions all under one.

Becky Keller, LC: Yes, I want to keep that. With these two sections is to take the funding and put them up into the subdivisions where they belong.

Rep. Bellew: I would like to leave them there for now.

Becky Keller, LC: That's fine.

Sen. Mathern: Another thing that is going to be helpful to us is the detail of the salary package and how that applies to this budget.

Chairman Pollert: Becky, do you want to address that?

Becky Keller, LC: I will have that at the next meeting.

Chairman Pollert: There is also no discussion on the accrued leave segment because the department had come forward with underfunding?

Becky Keller, LC: Correct.

Chairman Pollert: Western oil impact.

Becky Keller, LC: With 1358, they did a floor amendment and we're expecting a fiscal note on that soon. I don't know if anything for DHS was put back in.

Sen. Mathern: We also have 1015 which is the OMB bill which does have some money in it in terms of the oil patch.

Becky Keller, LC: They have completed a pool for that in 1015 so we're expecting to take the money out of all these bills and put them into that pool in OMB.

Chairman Pollert: The House did that already. Did the Senate change that?

Becky Keller, LC: They're good.

Chairman Pollert: I am asking for information on another piece that I might bring forward as an amendment dealing with the provider screening and enrollment contract. We'll have some clean-up language on Ramsey County. I think the $200,000 adaptive skiing was put in; I think we need some language clarification on that. I would say our points of contention that we will be discussing are the electronic health records, the department of commerce, the health care consortium initiative, Share House, the 50 cents that was added by the Senate, the nursing homes long-term care, the guardianship services between 1041 and 1012, the senior citizens total dollars, the southeast human service center 16 unit transitional facility.

Rep. Bellew: Also, the parts where we reduced their operating budgets.

Chairman Pollert: Are we going to cover all of the amendments that they put on?

Rep. Bellew: Probably.

Sen. Kilzer: This is a good beginning. I don't have any specific ones to talk about now.

Chairman Pollert: Does the conference committee need any more information than what has been brought forward?

Sen. Kilzer: Can Becky give us the information about the 4 and 4, the 50 cent, and the $1. Also, how the 4 and 3 would compare.

Chairman Pollert: The amendment on the pay package?

Becky Keller, LC: What are the 4 and 4 and the $1?

Sen. Kilzer: The Senate has been talking about $1 and 4 and 4; the House has been talking about 50 cents and 4 and 4. I want to know what the 4 and 3 would look like.

Becky Keller, LC: For all providers?

Sen. Kilzer: We're talking about QSPs and DD providers.

Chairman Pollert: And nursing homes as well and hospitals.

Sen. Kilzer: The $14.8M that was involved from the increase of 50 cents to $1.

Chairman Pollert: Are you asking for the 3% on all providers as well?

Sen. Kilzer: I'd like to see the figures on that, yes.

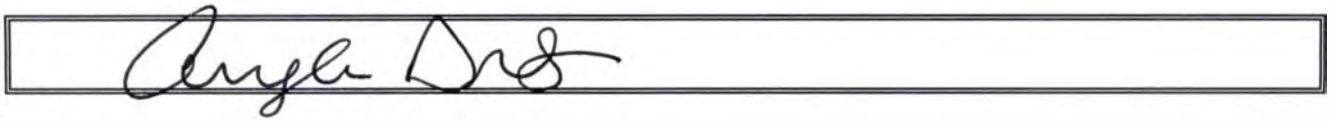
Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 23, 2013
Job 21455

☒ Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handouts 1, 2*

Chairman Pollert called the meeting to order.

Sen. Mathern: I have some information about the electronic health record when you get to that point.

Rep. Bellew: First on my agenda is the $300,000 that the Senate added for the leisure and recreational program. I'm not convinced that's not a duplication of what is already being done by the DD providers. I think it's basically the same thing as day support. This is just adding more money to these organizations from Fargo and Grand Forks and I'm not sure that if we do add this money there if we shouldn't add it to the other 30 DD providers in the state so they can provide the same services.

Chairman Pollert: This was in HB 1438. It came out of the House policy, Chairman Weisz's committee on a 10-3 Do Not Pass and it did not pass on the floor, 39-53. Then we see it was added into the budget. Could we get a little discussion on that?

Sen. Mathern: This proposal was brought to the full appropriations committee directly. I'm not aware of the House bill. Many of the DD services started after the ARC lawsuit. I suspect that most of those services were developed first in the Fargo and Grand Forks area on a community basis as people were discharged from Grafton or were no longer admitted. The concept of providing a social place for recreation and education developed there and probably there were enough cases to support a separate project, than it would be in Williston or Dickinson. I have no doubt that to the degree that someone who is DD needs a special environment for socialization or education in Fargo, there's just as great a need in Dickinson. I would have no problem funding something like this throughout the state. Should persons who are DD go to the local senior citizen's center to take part in activities or should they have a special place? Some people say they should be included in

all of our activities. There is no difference in people's rights to participate in any function of society. There is an ideological difference of should each individual be incorporated into all services of the community and not have special services.

Rep. Bellew: I appreciate what you said. But I truly believe this is a duplication of services that are already provided. This is just an extension for two DD providers in the state so they can skirt the system. Instead of applying to the DHS for these funds, they got legislative action to do this. These services are already being provided.

Sen. Mathern: I would disagree in terms of these services already being provided. These are different than the other services you suggest. But, are there services for people with DD in all of our larger cities? Yes. But is this a duplication? I would say not. This is another nuance of services that these two groups got enough support on from the committee to get in the bill.

Rep. Bellew: I respectfully disagree. I do think it's a duplication of service and that the DHS provides these types of recreational benefits to the DD people throughout the state. This is just an add-on.

Sen. Kilzer: Duplication is not a bad word. If there is duplication, so be it. It's probably a good thing. A little competition never hurts any organization. We have to be very careful about the concept that duplication is a bad thing. I think it is progress. If we can take care of these people in a local situation, I think that's better for everyone.

Rep. Holman: There is also a center in Minot. Because of a shortage of funding, Minot has not used state funds; quite a bit of the buy-in is from the community. Part of the benefit of this is that we are enabling people to live independently as opposed to the state funding another group home. This allows the staff to interact with people. It's one more touch that would allow someone to alert social services to step in and provide. It provides a service and probably saves the state money in the long run.

Chairman Pollert: Aren't we currently revising the payment system with the DD population? We're revising that. But with this $300,000, we're circumventing that process and going down another avenue. If we're going to do that, we should do it from the beginning. It seems like we're circumventing the payment system on this.

Rep. Holman: Two of the organizations have foundations. The one in Fargo has charitable gaming. A lot of the funding to pay for these services is coming from community sources. This is not paid for in a big way by the state. It's supported by the state, but the funding comes from multiple sources.

Rep. Bellew: We removed $1M from the home and community based services and the Senate restored it. I would like an explanation.

Chairman Pollert: I think you're talking about the long-term care program.

Sen. Kilzer: First, why did you take it out? Second, it's been proven that these things do work. They do allow people to stay at home longer and require less time in the long-term

care facility. We're living longer. Already in this century, the life expectancy has increased one year. We think the $1M that we put back in that you took out was money well spent.

Rep. Bellew: The reason why the House removed it, in HB 1023 the DHS turned back over $6.3M in this line item. In the new appropriations bill, the Governor's proposed budget, the increase in the budget was roughly $3M. We thought because of the turn-back and the $3M increase, that $1M reduction in this line item was small. We did the same thing under the CHIPS program also.

Sen. Kilzer: I'm glad that there was some turn-back because I've heard of no problems with waiting lists.

Chairman Pollert: What the House side would have done would not be any different when we look at caseload utilization as we did with the nursing home beds.

Sen. Mathern: In addition to the longevity of our citizens and the impact on care that's needed, there has also been a population change. The DHS has to start projecting these numbers way in advance of this decision we have today. The department is aware of our increasing population which impacts the budgets and our return of former citizens.

Sen. Kilzer: We do have 53,000 centenarians in this country right now.

Rep. Bellew: I want to talk about the long-term care beds. When the House sent it to the Senate, there were 76 long-term care beds that could be removed. It was over $11M, and we only took a portion of that. We felt that was going to be an adequate cushion for the department to fund this portion of the long-term care continuum. Since that time, we have heard that there is a town in western ND that has shut down; there are 25 additional beds that were sold to a long-term care facility in Fargo. There are probably 101 beds we can talk about here.

Chairman Pollert: There are 100 and some beds and we only took out 40. The Senate put back approximately 10. We're wondering about the $955,000, that's your question?

Rep. Bellew: That, plus I think there could be some additional money there.

Sen. Mathern: I think that's an appropriate question. I think one of us should meet with the long-term care association and find out what is going. There are things going on in the economy from the time this budget was prepared until today. We need to talk with somebody from the industry and the department to get those exact numbers.

Chairman Pollert: We have one of the best experts in this section, Rep. Kreidt, and that is where we get our numbers from.

Sen. Kilzer: I would be interested in seeing the pattern for the last 5 or 10 years on beds. We have a little over 6,000 beds in the states and about 3,100 are Medicaid. Is the nursing home going to be closed for a while?

Rep. Bellew: That is my understanding.

Chairman Pollert: We can find out.

Sen. Erbele: On the closure of the nursing home, you said 25 beds. Was that because of no elderly population or because they couldn't staff it? I think we need to know that because if they couldn't staff it, those people have to be somewhere.

Rep. Bellew: The beds have been sold to an organization in Fargo already.

Sen. Erbele: But that population still exists.

Rep. Bellew: I don't know the details. I have one more for today. I'm still confused on the guardianship. With HB 1041 and this one, I need to know how they are different.

Sen. Mathern: I'm on the conference committee on HB 1041. We met this morning and settled. The settlement reduces the appropriation to about $800,000. The agreement was that the counties, for the next 2 years, will fund half of the costs for the guardianship needs of the people that are already in the system. That reduced the appropriation need for 1041 by approximately $300,000. In that bill, there is that money remaining and it is for half of the old cases and then going forward for the new cases at the rate that you have in this chart. The clarification was also made that the money in that bill is not connected in any way to the money remaining in this bill. There is no duplication. The total amount has been reduced for guardianship.

Chairman Pollert: We were told there was $75,000 of training; the graph shows $70,000 in section 2 of 1041. This is of a different duplicative matter that we raised in an issue before, but I'm still curious on that $75,000. Hopefully I'll have that answer before our next meeting. It could be duplicative for training in 1012. Also, in that same chart there is "funding to establish petitioning costs for 86 wards". Of the $215,000 in 1012 and aren't those 86 wards also in 1041? So could that not be duplicative? Is there $70,000 of duplicate money or if there's $290,000 in 1012 that could be duplicative? Next, on the bottom of that chart it says "contract for four Vulnerable Adult Protective Service staff" and I understand that 1012 is to hire contracted staff and they would be responsible for the investigations of abuse. If it's $825,000, is that salaries or contracted dollars? What does that entail?

Rep. Bellew: Also, that $215,000. Someone told me that is to be paid to attorneys so they can petition the courts for guardianship.

Sen. Mathern: That is correct.

Chairman Pollert: Is it just luck that it is 86 like it is in 1041, or are they duplicative of the same people?

Sen. Mathern: People don't get 1041 service unless somebody pays for the petitioning costs under 2012. We could put all of this together in one place. Essentially there are two services needed; one is having a guardian and the other is figuring out how to get a guardian. Three services; the other is assessing whether or not they need one.

Chairman Pollert: A quick discussion on Share House. On the House side, I don't remember getting an e-mail asking for funding. I know they are on the OAR list. I think the funding is for 2 nurses and 5 female beds. It's strange that I didn't get an e-mail in support. Then it shows up on the Senate amendments.

Sen. Mathern: I don't know all the details why you didn't get an e-mail. One of the details is the executive director of the organization is dying of cancer and probably didn't have the ability to start the process early. This came through like the other issue came directly to the appropriations committee as a concern and a need.

Rep. Bellew: I'd like to talk about the 16 unit transitional living facility in southeast human services. We removed it, $1.3M total, and the Senate added it back. What is the rationale?

Sen. Erbele: The information that I got was that if we don't do this, where are the people? They said they would stay where they are; probably either in Grafton or the state hospital. It became a matter of cost.

Rep. Bellew: If we do this, then some of the costs to the state hospital or Grafton can be reduced because these people would be moving out of there and into this facility.

Sen. Erbele: I believe you did take $350,000 from the state hospital.

Chairman Pollert: Of which $140,000 will come from the smoke stacks; or $100,000 or something.

Sen. Kilzer: This is not a new item. But, we've never funded it. There have been requests for a similar situation in Minot and Bismarck. A lot of these people end up in the ER and in-patient hospital which could have been avoided if a place like this existed for them. This will save money.

Chairman Pollert: Would there be a report available that would track and show where those savings are at?

Sen. Kilzer: I think we have the before statistics and the after statistics would be part of the funding for this program. We could integrate it with the figures from the state hospital.

Sen. Mathern: This is just expressive of the evolution of the way we care for individuals. I see a day when there is no state hospital and all people will get care in their home community. This is one of those steps in that process. There have been some negative aspects in that people are going to prison that shouldn't be there because they have a mental illness. This is just one of those pieces that we need to put in place so that as we continue that other process, we don't just create another institutionalization process in our prison. It makes sense to do it here because that's where the biggest population is.

Chairman Pollert: Becky, do you have dollar amounts for the amendment on the salary package?

Becky Keller, LC: The House removed a total of $13,052,000, of which $8,990,000 was from the general fund. The conference committee adjustment will be a total of $6,717,000, of which $4,618,000 will be from the general fund. The difference is about a total of $6,335,000. What you will see in the amendments is us putting back in the House amount and then we will take out the conference committee amount of $4,618,000; that will be the compensation adjustment for the general fund.

Sen. Mathern: What will be the adjustment that relates to the 1015 project of putting money into that pool?

Becky Keller, LC: I will get that.

Chairman Pollert: Can we finish a discussion on the electronic health records?

Sen. Mathern: I have printed information (Handout 1). One of the issues that I raised was the potential penalty that we would incur if we don't establish an electronic health record. I ask for that concept to be spelled out in this chart in number form so we know what the income is that we anticipate for these services and what the penalty would be if we don't have an electronic health record.

Chairman Pollert: The chart I handed out is dealing with the timeline of the electronic records (Handout 2).

Sen. Mathern: The chart I handed out gives the actual dollar amounts; your chart gives the percent penalty.

Chairman Pollert: What I would like to see happen is asking for some amendments by Thursday. I'm going to have some amendments on some clarification language.

Sen. Mathern: The DHS oil impact issue is $3,253,008 general funds and $514,992 other funds. That would be available someway in OMB and not needed in the Governor's budget in DHS.

Chairman Pollert: What we did on the House side for all agency budgets was we pulled the oil impact. There is a policy that is a combination of the DOT and DOCR policies that were written up as amendments for 1015. I haven't seen the dollar amounts, but these are supposed to be in there.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 24, 2013
Job 21486

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handout 1, 2, 3*

Chairman Pollert called the meeting to order. There was a handout on the long-term care occupancy rates (Handout 1).

Sen. Mathern: It appears that the data would track with the department recommendation for funding. You're saying that the data, from your perspective going forward, would have a lower trend line?

Chairman Pollert: I would say the data here is correct, but I would also say that there are probably some of those beds that aren't being utilized.

Sen. Kilzer: The percentage of occupancy is pretty level, stable. It looks quite steady.

Chairman Pollert: Sen. Kilzer, the next handout is information you had requested on the 4 and 3 (Handout 2).

Sen. Kilzer: It is for information only as to what a 4 and 4 and a 4 and 3 look like.

Chairman Pollert: It would reduce the general fund and federal funds basically the same; about $3.3M. In the House deliberations, we had talked about a 3 and 3 because we thought if we were going to pull in 75 cents or $1, then we were going to drop the inflators. After discussion with other people who aren't affected by the wage pass-through, we thought the 4 and 4 was appropriate.

Sen. Mathern: I'm on the conference committee for HB 1041. I'm sharing with you what the amendments are that the committee has adopted (Handout 3). To clarify the fact, these amendments relate to guardianship services. That conference committee was very attentive to the guardianship services that are in 1012. The amendments to the bill clarify

that there are no dollars in 1041 that duplicate any dollars that are in 1012. The amendments further reduce the appropriation in 1041 by sharing a portion of the responsibility for funding to the counties. The operative number here is the fourth line down, $828,600. That is what we would be funding in 1041. The additional amount that is needed for the program to continue as 1041 outlined it is a participation on the part of the counties.

Sen. Kilzer: Is the difference between the $1.3M that was still in that fund and the $828,000 that you're talking about what would be the counties responsibility?

Sen. Mathern: Correct.

Sen. Kilzer: So it means the counties would be responsible for roughly $500,000?

Sen. Mathern: I think slightly less.

Chairman Pollert: And there's probably $70,000 that has to come off of that for training.

Sen. Mathern: Yes. The chart we had in 1012 regarding guardianship services and 1041 was also a chart we worked off of in 1041. We're clarifying that 1012 provides for the petitioning costs and the vulnerable adult protective service costs, and 1041 provides the actual guardianship services.

Rep. Bellew: Sen. Mathern, it says the counties are limited to a maximum of one-tenth of one mill. So in this bill you are authorizing the counties to raise one-tenth of one mill or is that already within their mill levy limits? Would this be a property tax increase?

Sen. Mathern: This does not change the counties ability to what they raise or how they raise it. This was the manner in which they agreed to fund this. One of the issues that came up in 1041 was that some counties provide for guardianship, some counties do not. The ND Association of Counties pulled their membership. They came to an agreement that this was the amount of money they were willing to put in. This mill levy equates to that dollar amount that's needed for this service. It did not change how they raised the mill. They would just use the money they have right now up to that level in this amendment.

Chairman Pollert: After talking to Rep. Wieland, who is also part of that committee, it was thought that the counties were paying petitioning costs and then it sounded like the counties pulled away from paying any petitioning costs completely.

Sen. Mathern: That's something that has been transitional.

Chairman Pollert: Is the $70,000 in training grants still in 1012? They are all shaking their heads no. Didn't we ask for information on the $825,000 and the four people; if that was salaries or staffing expense?

Becky Keller, LC: Apparently that is salaries for contract employees.

Chairman Pollert: Are there enough abuse cases that 2 people couldn't do this instead of 4?

Becky Keller, LC: I'll get that for you.

Rep. Bellew: Even with the 86, I'm not sure we need 4 staff. If 2 people over 2 years can't deal with 86 people.

Sen. Mathern: I think the 86 would equate more to, of all of the assessments, 86 need guardianship. But there will be many more assessments done.

Chairman Pollert: I would still like to know that information. I did find out the information on background checks, foster care providers, and approvals. That's been a standard practice. That's why that language is in the bill, that it substantiates it in century code.

Rep. Bellew: We might as well go to the $1 pass-through to the nursing homes and DD. It's a $27.5M increase in this budget. With that amount, I think the inflators should be talked about.

Chairman Pollert: Our thought was that if we would have went higher, the inflators would have dropped so we accepted the Governor's proposal of the 50 cents and the 4 and 4.

Sen. Kilzer: I've looked at the figures. The big one is the high turnover rate; well into the 30s. I think the $1 is very important. In a day's pay, 50 cents doesn't add up to very much. I favor the $1 because the need is there. When you're getting that high, you're losing quality by having so many inexperienced people doing the care.

Sen. Erbele: I think we really need to spend the time on the contracted services going out. They're paying $30 an hour more and then you don't have that continuum of care. We need some stability in the workforce and the increase in wage will do that. The inflator portion affects their operating costs too.

Sen. Mathern: An added positive feature of the $1 is that it gets to the lower income staff. When we do these percent increases, they tend to benefit the higher paid employees, but the $1 benefits the lower paid employees.

Rep. Holman: It seems interesting that we're debating between an $80 or a $160 a month raise. Probably neither one is going to be sufficient. We may not be solving our problem with what we're doing. I talked to someone who had a $2 an hour raise in a similar type of job and that's still catching up. We don't know what it's going to look like in 2 years.

Rep. Bellew: I personally don't know that this is going to reduce the contracts for contract nursing. What I think it will do is allow the providers and nursing homes to pay more for that service. These private contract associations know this is going on and will go to these providers and nursing homes and say they need more money. The second thing, how is this going to affect Obamacare? Are these employees going to get the $1 raise and then have to reduce their salaries to pay for Obamacare?

Sen. Mathern: The House passed a bill to address that issue. This is also for nursing homes. We are providing a vehicle where the implementation of Obamacare will be a cost and the House bill permits the industry to make a judgment of is it better that they have an insurance plan for their employees or pay the tax where they don't have an insurance plan and the employees go to the health care exchange? The House bill gives the option to these organizations on which way to go. It's going to take a few years before we know what is in the best interest of our employees.

Chairman Pollert: I'm going back to what Sen. Erbele said about the inflators. I think most long-term care facilities add the inflator for wage increases. Was it the Senate's deliberations that they were just looking for $1 or did they say it is $1 and we know they'll use half of the inflator, so someone is going to get $1.30? Or did you look at it and say maybe we should look at 75 cents and use the inflator to get them to $1? Was it the Senate's deliberations that they thought they were going to get $1.25 or $1?

Sen. Erbele: I think the information that I'm getting from my district, it's more than just the $1. They're looking at needing to raise several dollars per hour; the $1 will help them to do that. They'll probably be adding another $2 to that for salary equity.

Sen. Mathern: I think the way that I viewed it is that the market is dramatically different across the state. It is my hope that the lower income people get $1 and the 4% inflator. However, I think having the $1 and the inflator permits all of these institutions to look at their market and apply it to keep the people they need.

Chairman Pollert: When I go home, I get calls from people in nursing homes saying their monthly rates have gone up a lot. I asked for information from the department on what $1 does, what 50 cents and a four and four does, and what $1 and a 4 and 4 does. Fifty cents and 4 and 4 is going to go up about $137 a month. The basic care is going to go up about $210. You add $1, that's roughly over a $270 a month increase in what a nursing facility is going to charge on an average. Basic care is going to be around $400 a month. I struggle with that. I understand that they provide good care. But it's just a constant struggle.

Sen. Mathern: Let me suggest a way to address that question. We live in a state where we have equalization of rates, whether you are there as a Medicaid or private pay person, there is a rate established that is the same. What you are doing is keeping private rates down.

Chairman Pollert: We're still going to hear it.

Sen. Kilzer: I think at 50 cents, we're going to fall further behind.

Chairman Pollert: I would like to move our focus to congregate meals. The Governor's budget was $800,000 and the Senate added $900,000. I asked if you were aware of what was going on with SB 2162 with the .85 of a mill and also with what transit is that was put into the DOT budget. One of the questions that I have, during deliberations on the Senate side, including SB 2162, that fiscal note was roughly $480,000 and I think 40% goes to meals. When you added the $900,000 did you figure what will happen with the market

valuations going up; land, real estate? It's averaging easily 10% which is going to add on to that .85. Did you have any deliberations on that? Are you firm on the 1.7?

Rep. Bellew: Do we know how much the senior meal program is getting in total from the state in general funds? What's the effect of this extra $900,000 to the program? How much are we giving to the congregate meal program through the DHS?

Sen. Mathern: We can get that. In terms of the inflation of land prices, it reflects the other inflation that these organizations have to deal with. The intent is to get back to the support we used to provide to senior meals.

Sen. Erbele: I would agree with Sen. Mathern on the inflation discussion. I think the cost of meals is closer to $9. I think the goal has to be for all of the regions to be fully funded so they are paid out equally. In regards to SB 2162, the increase there is pretty well eaten up by the decrease in federal dollars that used to go for the outreach assessments.

Chairman Pollert: Your thoughts were putting in the $900,000. Of the roughly $160,000 that was added in, you're saying we should just add that on? The market valuations are going to bring in a couple hundred thousand dollars a year over and above what's in there.

Becky Keller, LC: You asked what the total for congregate meals in the DHS budget. It is $10,216,790 and includes nutrition services. Of that amount $3,264,562 is from the general fund. That includes the $800,000 that is in the executive budget, but not the $900,000 that the Senate added.

Rep. Bellew: The monies that are not in general funds, is that Title 3 money?

Becky Keller, LC: Yes.

Chairman Pollert: Which would also not include 2162 or the market valuations?

Becky Keller, LC: Right.

Sen. Mathern: What we put in here is not the request.

Chairman Pollert: I saw the figure and saw the testimony. Sen. Mathern, did you get some information about our discussion regarding the 16 unit transitional living versus having an 8 bed center?

Sen. Mathern: This is for persons with mental illness. Once you go over 16 beds, there are other regulations that kick in and the cost of care drastically goes up. Going under 16 beds, we get into the concept of the cost of doing business and the economy of scale. I called Dacotah Foundation. They said there are so many fixed costs that once you open a facility, if you go under 16 beds, the cost of daily treatment goes up for each person.

Chairman Pollert: I will be asking for amendments tomorrow or Friday.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 25, 2013
Job 21525

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handout 1, 2*

Chairman Pollert called the meeting to order. I asked last time for the amount of cases or reports for guardianships (Handout 1). They just started gathering the data on October 1, 2012. On page 2, region 1 is Williston, region 2 is Minot, region 3 is Devils Lake, region 4 is Grand Forks, region 5 is Fargo, region is 6 Jamestown, region 7 is Bismarck, and region 8 is Dickinson.

Sen. Mathern: You used the word guardianship. I suspect you meant vulnerable protection services?

Chairman Pollert: Yes, and I meant that in the context that I asked for this information because of the money put in 1012 that deals with guardianship. I asked how many cases were out there because of the 4 contracted FTEs. I was cleaning my desk and found a folder labeled guardianship that contained a page that dealt with 1012. At that time we had 1041 and we had asked DHS for a comparison. In the current HB 1012, they are asking for $825,000 for 4 vulnerable adult protective service staff. I asked and they said there were no training costs of $70,000 in 1012 anymore. But on the old 1012, has different information. They talk about 3 geographic areas. Why are we at $825,000 when our total funds could be less? Becky, I'm going to ask for that in an amendment. The current structure is looking for $825,000.

Sen. Mathern: Since that chart was prepared, two other significant things have happened. One is legislation regarding adult protective services in a separate bill and the other is passage of 1041. Those might be a couple of the variables.

Chairman Pollert: We can have that discussion when the time comes for a vote.

Rep. Bellew: I want to talk about the $300,000 for the leisure and recreational education programs going to Fargo and Grand Forks. I received e-mails from the CEO of the DD provider in Minot and she is concerned about this $300,000. She is saying we're going around the process for the funding of these DD providers. Based on that, I'm going to ask for an amendment to pull that $300,000.

Sen. Mathern: There's a little bit of confusion about going around the process. There is a process whereby we fund the services that are directly provided to individuals in residence. That formula and process are fairly sophisticated. These kinds of services in the community outside of the residential services are not funded in that formula. You have a point in terms of all of these services could also make the case of the need for their services and their funding through the DHS and the Governor's budget. I would hope you also consider the need behind the program. Let's also look at the need in Minot.

Rep. Bellew: This was a House bill and it did die on the House floor. The policy committee did have a Do Not Pass. I'm just reiterating the House's position.

Rep. Holman: The recreational costs, as far as I understand from the director in Grand Forks, aren't an allowable expense when we're working with other things. We are not necessarily duplicating what we are already doing.

Chairman Pollert: It is a new program trying to go into a different direction that the House side policy and the majority of the people on the House side didn't support. I want to bring up a couple of other sections. I'm on the amendments 02026. I don't have a problem with section 15, which is dealing with the deputy director position.

Rep. Bellew: The way this is worded is ok. As I stated earlier, they have not had a deputy director in a few biennium. If they got along without one that long, maybe the position is not needed. I don't have too much of a problem with this either.

Chairman Pollert: I think they're going to take a vacant FTE for that.

Sen. Mathern: I support this in light of the fact that we put it in in the Senate. If we don't fund the department properly, they won't be able to use this.

Chairman Pollert: Also, the language on section 7 is ok. It's cleanup language on the approvals. They are doing that; this just validates it officially. Section 16, I still have a little heartburn, but I might be turning. I might be softening up a little.

Sen. Mathern: I hope that means being responsive to the data we received the other day in terms of the costs going forward if we don't do this.

Rep. Bellew: I kind of like what the Senate did here. The intent language is there, but the department just has to find the money. They have a $2.9 billion budget. I'm struggling with the fact that there's not extra dollars to get started on this project.

Sen. Mathern: I think Rep. Bellew is right on target, if we fully funded the Governor's recommendation. Right now we are about $16M under.

Chairman Pollert: I understand your comments. But also the Senate added $16 or $17M, which we're discussing too. I guess the House and Senate have different orders of prioritization. Any discussion on 17 or 18?

Rep. Bellew: The House defeated this legislation. I personally would like to see these two sections removed.

Chairman Pollert: The House side has a little consternation with legislators, private industry having a consortium, report to the Governor. I'm going to bring forward an amendment that would change this to a legislative management study. It will have most of these points in there. I would probably ask to pull sections 17 and 18, but I think it needs to be studied.

Sen. Mathern: I suspect one of the concerns was the cost. Will the amendment you're bringing forward fund it or would it have to come out of the budget of legislative management? We have a general appropriation there for studies, but I don't think that is near enough to accomplish this study.

Chairman Pollert: Moving on to section 19, Share House, Robinson Recovery Center.

Rep. Bellew: Here again the Senate put $150,000 in during committee and then there was a $146,000 floor amendment. I'm ok with the $150,000. But the $146,000 floor amendment I'm confused about. I know they want to add 5 beds and employ 2 more nurses but I'd like to see them do it within that $150,000.

Sen. Mathern: I wonder if one of us should contact that organization to see the consequence of that. Sometimes these are make or break programs based on a dollar amount. It's important to understand the consequence.

Chairman Pollert: Is there any movement from the Senate on section 20 on the $1.1M? I might be turning a little bit on section 21. We don't need to have much of a discussion; the HR section was always good about having reductions in increases in spending.

Sen. Mathern: The Governor recommended the hold-even budget and then anything beyond the hold-even is in OAR. Sometimes we think these are extras, but they really aren't. When you do a hold-even, you start from where it was at. The restoration here of this 1.1 really just permits them to do what they were doing. I would encourage us to recognize that even with that restoration, we are $23M below the Governor's recommendation on on-going programs. I hope section 20 stays in there.

Rep. Bellew: Where did you get that we are $23M below the Governor's budget?

Sen. Mathern: If you look at the sheet that does a good accounting of the House and Senate amendments and the remaining changes and look at the last column.

Rep. Bellew: But some of those are new programs. A lot of those are new.

Sen. Mathern: I'm talking about the last column, the things that are not in the Senate or the House. The sum of that column for general funds is $16M and for federal fund is $23M.

Sen. Erbele: The way I understand it, you want to develop a group of amendments of things to discuss. If we want to put something on the table from section 20, what we did on the Senate side with that 250, we could remove that. We really don't know what the reaction will be until we do something.

Chairman Pollert: I brought this up yesterday. I want to discuss caseload utilizations on long-term care and also discuss the 16 beds.

Sen. Erbele: For now, you're riding section 21 as is?

Chairman Pollert: Does the committee have anything they want to discuss on section 21, which deals with the 6 House and Senate bills that were passed with fiscal notes but didn't have actual appropriations?

Rep. Bellew: I do agree with the Senate on most of this. With Medicaid, medical assistance program expansion, there are 3 new FTEs in general fund money in there. I thought the federal government was going to pay for all of that?

Lori Laschkewitsch, OMB: The 100% payment that the federal government is paying is for the services to the individuals. The money that is included in section 21 is for the administrative costs for the staff from the human services department to administer those programs and handle the extra caseload. Those costs are not 100%; they are at the FMAP.

Rep. Bellew: Are the 3 FTEs FMAP?

Lori Laschkewitsch, OMB: Correct.

Chairman Pollert: Becky will we have a salary package amendment?

Becky Keller, LC: Yes.

Chairman Pollert: That gets me to medical services. The Senate put back in the professional medical expert reviews and the qualified service provider mileage differential for those oversights. I'm agreeing with that. I'm not asking to remove them. (Read Handout 2.) Becky, I would ask this as an amendment.

Sen. Mathern: I think it does make sense to fund that. The Senate did not fund that.

Chairman Pollert: That gets us to a little discussion on long-term care beds.

Rep. Bellew: My expert says there are a lot of long-term care beds that we can talk about. The Senate restored $955,000 of what we had removed. Of the long-term care beds, we removed a total of $7M; $3.5M general and $3.5M federal. I would like to see what the Senate restored and then we can add more beds. The nursing home in Elgin is closing and that is 25 beds. There are beds that have been under the 48 month exemption that are not

going to come on-line. I've heard rumors that the nursing home in Mohall may close. I think there are extra beds here.

Chairman Pollert: I would hope you would have a number available by tomorrow.

Rep. Bellew: I will. I'll have a recommendation and we'll go from there.

Chairman Pollert: I think it's important to note in your statement that you didn't mean to say to take away from nursing homes.

Rep. Bellew: No, we want to reduce the increase. I would never take away from nursing homes.

Sen. Mathern: I think Sen. Erbele had some good arguments the other day about that when a nursing home closes, those people don't just go away. If we don't hit the mark correctly in terms of the number, it will come back to us in an appropriations request. If there is a need for the service, it will be provided. But then we'll have to fund it in another bill. It doesn't leave people in the cold.

Rep. Bellew: We're never going to leave people in the cold. When it comes to taking care of the elderly or nursing home patients, I would never do that.

Chairman Pollert: I can accept the expanded bed, but I still think we will see a discussion on the HCBS and the nursing homes.

Sen. Erbele: That will be a good discussion to have. I would be anxious to see the numbers because even on the chart we received the other day, there is somewhat of a gap between the utilization and the need. There are some dollars in there that we can compress a little but still keep people safe.

Chairman Pollert: A little discussion on the personal needs allowance, basic care. As of now, we will keep it in place and argue about personal care needs every biennium. Any further discussion on the $1 and the 4 and 4?

Rep. Bellew: This is the biggest bone of contention in the whole bill right now. I would be willing to look at the $1 if the Senators are willing to look at an inflator or some other way to try to make up some of the difference of that extra $14M in general funds. They do make a compelling argument for the $1. My point is that it costs a lot of money and the state taxpayers have to pay that. If we get that resolved, the rest of the budget will fall in line.

Sen. Kilzer: I think the charts that we looked at show that the best results in terms of improving turnover do favor the $1 rather than the inflationary rate because the money directly affects the pocketbook of people. The inflationary increase or decrease is spread over the whole institution. I favor a higher wage to the individuals than I do the inflationary rate.

Chairman Pollert: I would hope the committee will have an idea of what they want to ask for that we can bring forward tomorrow. I would repeat Sen. Mathern's comment that to go to the Governor's budget would be an excellent idea.

Sen. Mathern: That would mean restoring $16M on the other end. Then this initiative, the $1 and the 4 and 4, is really a legislative initiative. Adding the 50 cents is the legislature saying the Governor didn't call it right and we think it should go to $1.

Sen. Erbele: In the compromise that the Senate and the House did when it came to employee packages, it became a hybrid of the two positions.

Chairman Pollert: Maybe we should have a discussion about 75 cents and 4 and 4.

Sen. Erbele: That or 4 and 3 and $1.

Rep. Bellew: Or 3 and 3 and $1.

Chairman Pollert: I think we're narrowing it in. In the spirit of further compromise, I'm not having difficulty with the Senate added back $175,000 in the infant development. The House has softened on that stance as well. Any further discussion on senior meals?

Rep. Bellew: This was added by the Senate. We passed an eighth of a mill increase for a match. If my figures are correct, that will add up to roughly $4M during the biennium and the meals program is 40% of that. With that in mind, when we find out the numbers and what that mill and inflation adds, I think this should be looked at.

Sen. Erbele: I think Rep. Bellew had too many zeros. The mill increase was $480,000.

Rep. Bellew: You're right.

Chairman Pollert: I thought Rep. Bellew was referring to a total. If you look at totals, I had a number of roughly $4.7M if you figure in what valuations are going to do. I think it comes in at around $2.1 or $2.2M a year.

Sen. Kilzer: One thing that we never did discuss on the Senate side is the evenness of the senior mill levy. Does the revenue come into the area where the large number of congregate meals are served or is it spotty and doesn't really help people? If we would change the $900,000, if we would reduce it by that amount of the senior mill levy, would that hurt some regions and really help other regions too much? We don't know that.

Chairman Pollert: I have a run of the counties for 2011 and 2012. But I wouldn't have a run as far as what that $900,000 does. It has to be based on a formula of valuations.

Sen. Erbele: There are areas that seem to struggle all the time that are short on funds and some that have adequate funds. If there would be a way of addressing funds, I don't know how you would do that. If you could it to the most rural and struggle the most to keep the service alive; I don't know if there's a way to direct funds or not.

Chairman Pollert: I know there was a discussion before the session started about how it seemed like that funding was moving to urban centers. Then there was a formula change. It doesn't seem to be enough for the rural areas.

Sen. Mathern: Another variable here is the counties have options on that mill levy. They aren't all putting the mill on or the levy to the maximum level.

Chairman Pollert: I want to have a further discussion on the 16 unit transitional center.

Rep. Bellew: I just think at this time that 16 is too many. I will probably bring an amendment forward to do 8 beds and maybe a report to the next legislative session.

Sen. Mathern: This 16 bed facility did not come to us from any private providers or legislators bringing amendments to the committee. This came from the department as a way to save costs at the state hospital.

Rep. Holman: Any report on this, I would like to see that addressed. We are encouraging people to be in residential settings and this is part of that. If we're looking at one cost, we have to look at the other side.

Rep. Bellew: Based on what Sen. Mathern said, I would go for the 16 beds if we could take 8 away from the state hospital. Because 16 beds in a residential is a lot cheaper than beds at the state hospital. These are not for the developmental centers.

Sen. Mathern: I believe the state hospital built its budget based on this. Had they not put in the 16 bed transitional unit, they would have asked for more money for the state hospital.

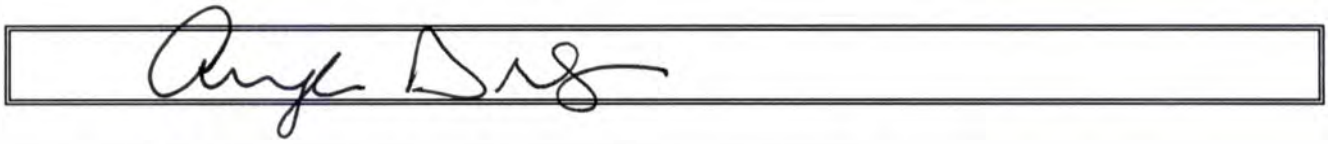
Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 26, 2013
Job 21543

☒ Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handout 1, 2, 3, 4, 5, 6, 7, 8, 9*

Chairman Pollert called the meeting to order. Becky, do you have an amendment that deals with Ramsey County?

Becky Keller, LC: Yes.

Chairman Pollert: Section 11 and no more than 50%?

Becky Keller, LC: Yes.

Chairman Pollert: This is an amendment that was asked from the department for clarification (Handout 1). Then this next amendment needs clarification for the $200,000 for Annie's House (Handout 2). The next one deals with child support and the agency asked for clarifications (Handout 3). Sections 17 and 18 deal with the health care consortium. I mentioned to the committee that I would be asking those sections and come forward with an amendment for a legislative management study (Handout 4). To answer Sen. Mathern's question, yes there is money in legislative management, but not in this.

Sen. Erbele: This one just compresses 17 and 18 into that study?

Chairman Pollert: Yes, it compresses it, but it goes further and makes it a legislative management study. Then I pulled out the funding.

Sen. Mathern: I have done some homework on some of these and have some handouts.

Sen. Kilzer: Chairman Pollert, while we are still on your handouts, is it clear that these would be one-time funding things or does it look like a continuing appropriations request?

Chairman Pollert: If I could answer the one on the $300,000 to Ramsey County, as long as their mills are at 37, or this might drop it to 34, my guess is this does sunset ending June 30 and they would have to come back again.

Becky Keller, LC: I think I do have them in the one-time funding section. By putting them in that section, it does sunset them and they have to reconsider.

Sen. Mathern: I asked for a specific response from the program director of Sharehouse Robinson Recovery Center about the concept of funding the $296,000 or half of that. The memo explains that situation (Handout 5). With half of what we are asking for, we would be able to fund a full-time site nurse, but not the additional beds. It would be difficult to raise enough money through outside grants to fund the additional beds. They're basically saying they probably couldn't raise the money to do the full program.

Rep. Bellew: Do these people that stay at the house, does their medical insurance pay any of it or is it all state expense?

Sen. Mathern: I'm not sure. I would suspect that they have a mix of payers; charity care, Medicaid, insurance, and some private pay out-of-pocket.

Chairman Pollert: This is just old history. I was tempted to add an amendment 2 or 3 bienniums ago requiring them to pay 25% of their treatments. It wasn't received very popularly, so I didn't bring the amendment forward. I still think it's a good idea though.

Sen. Mathern: I'm handing out more background information on the residential facilities around the state (Handout 6). We got into a discussion about how many beds there are. This chart lists those by human service center, and shows the provider, the number of beds, the base budget, and what are the number of beds throughout the state that are in the Governor's recommendation.

Chairman Pollert: Is Northeast Grand Forks?

Sen. Mathern: Right. I also asked some questions about the issue of the state hospital and the consequence of the transitional beds if we fund those or not (Handout 7). Presently we are not even funding the state hospital at 100% occupancy. Even if they had 16 beds available, the space, not only is the 16 beds not funded there, they are actually underfunded to the present capacity by 15%. The last item; it appeared to me that we were negotiating down the number of beds that would be used in nursing homes over the next biennium. This chart helps to look at that (Handout 8). Going into the next biennium, the department reduced the numbers in terms of utilization. The concept that their numbers are too high has already been anticipated by the department and they brought those numbers down. In the detail of the department, we're funding it by days, not beds. The bottom part of the chart is the average days.

Chairman Pollert: The figures you have there are before 1012 got to the Senate?

Sen. Mathern: Right.

Chairman Pollert: I gave Becky the provider screening for the $120,000; that will be another amendment. This afternoon we will have further discussion on the wage pass-through. We will have more discussion on the congregate meals. I'm trying to figure something out that might be acceptable to all parties. Also, I haven't written up any language for a study, but I'm wondering if in the DHS budget there are any similarities with other neighboring states on some of these issues. I'm mulling it over.

Sen. Mathern: I think it's an appropriate mull. I think there is a bill that has the $20M we passed in the Senate in 1233. That, to me, has the potential of dramatically changing the human service system. In that bill is a study to look at the system of delivery. That study would fit very well with what you're talking about. If we do change the system of delivery in ND based on taking over county functions, what we'd want to do is talk to our neighbors.

Chairman Pollert: I don't even know how the language would show up.

Sen. Mathern: I do have another item to pass out (Handout 9). During the Senate deliberations, there was an interest in funding a traumatic brain injury expansion. We have a partial traumatic brain injury program in ND and we have a portion of the continuation of that activity in the budget. However, the piece to make this available statewide never happened. We were asked to consider placing a study in this budget trying to tie together the general population needs with the escalation of traumatic brain injury victims that are veterans.

Chairman Pollert: Was this in any bill in the House or Senate?

Sen. Mathern: It was testimony from advocates of this system that we add money to the budget. It was not a bill. In follow-up to no money going in, they asked if a study could go in.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 26, 2013
Job 21556

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order (0:00:46).

Rep. Bellew: Do you want us to start asking council to draft amendments?

Chairman Pollert: I would like us to start asking for them.

Rep. Bellew: I do have two proposals for LC. The Senate put in $300,000 for LISTEN in Grand Forks and I'll get the specifics for you. I'd like an amendment to pull that.

Chairman Pollert: Is it LC's plan to put this in one format like we do in the HR section?

Becky Keller, LC: Yes, I would like to do a summary of the amendments. Then you can vote on them and then we will actually draft the amendment.

Chairman Pollert: When we vote on the amendments, it takes 2 from each side to have an amendment drafted, correct?

Becky Keller, LC: Correct.

Rep. Bellew: That is in the DD division. The second one that I have is I would like to reduce the 16 bed unit in Fargo to an 8 bed unit. The monetary amounts I have would be general funds $547,000 and federal funds $182,000.

Becky Keller, LC: That's your reduction?

Rep. Bellew: No, that's the total amount I want in there.

Chairman Pollert: Are you going to ask for a report?

Rep. Bellew: I do want a report on how that is working to Legislative Management.

Becky Keller, LC: Any time frame?

Rep. Bellew: Before the next legislative session. My thought is that if the 8 is not enough, we can address it at the next legislative assembly.

Chairman Pollert: The Senate has DHS the first period of next session. Do you want the report ready then or do you want it before?

Rep. Bellew: I think we should have it in the organizational meeting, the budget section meeting, the first week in December.

Chairman Pollert: When we make this official with voting, do we need to go through the firsts and the seconds?

Becky Keller, LC: I would think you would have to have 2 and 2 to agree on everything. You can vote on the separate things, and then do a 2 and 2 on the full set of amendments. It's up to you on how to do it, as long as we get 2 and 2 for the final set.

Chairman Pollert: You're saying a simple majority would pass the amendments but it will take 2 and 2?

Becky Keller, LC: As we go through these amendments, if we plan on going through them one by one, you can pretty much do whatever you want. But when you do the final set of amendments, they will have to recede and it will be amended. That will have to be 2 and 2.

Chairman Pollert: I want to make sure we have clarification on that.

Becky Keller, LC: After we get our list that everybody has asked for, and you want to go through each piece individually, that's fine.

Sen. Mathern: Some of that is really up to us. My goal is that we all vote for the final amendments. I think we could be much more informal coming to the final step.

Chairman Pollert: If we have 20 items, do we have to have a first and a second?

Becky Keller, LC: No.

Sen. Erbele: If we have 20 things, we're still going to go through them item by item and agree 2 by 2, but not necessarily motions and seconds?

Chairman Pollert: That's correct.

Sen. Erbele: Those that have the 2 and 2 will go into the final amendment.

Chairman Pollert: That's correct.

Rep. Bellew: You asked Becky to read what we have so far. I would like to have that.

Becky Keller, LC: Are you talking about the 3 we just discussed or what we've been discussing?

Chairman Pollert: I only have two.

Becky Keller, LC: I have to remove the leisure facility in DD, reduce the 16 bed unit to 8, and add a section to report on the use of the 8 beds.

Sen. Erbele: We did throw some stuff out on the table yesterday that I thought were potential discussions on the various sections.

Chairman Pollert: If we can, I'd like to have Becky tell us what we have so far. We have the amendment on the legislative management study, section 17 and 18.

Sen. Mathern: I suspect that Becky is going to have this list typed and she could e-mail it to all of us so we have it the same way. Also we could share it with people impacted by it.

Chairman Pollert: Becky, could you do that tonight?

Becky Keller, LC: What I had planned on was everyone will throw out their ideas, we'll put them into the same format that we did for the House, and you will get a typed list that is footed so you know what the effect will be. I think it would be easier to vote from that list. I do have a list started with about 18 items on it that you wanted to discuss.

Chairman Pollert: Would you have that ready for tomorrow morning?

Becky Keller, LC: Yes.

Chairman Pollert: I still want a discussion on 75 and 4 and 4. I think we should have a discussion on $1 and 4 and 3.

Sen. Mathern: I think I would encourage us to start with agreeing on the $1. The reason I say that is the $1 gets to everybody's paycheck the fastest and gets to the lowest income people.

Rep. Bellew: In the long-term care program in the nursing homes, I think there are more beds there that can be added to the list. The House added roughly 40 beds which was $3.5M both general and federal. The Senate put back 955, which I would assume is half general and half federal. I would like to see the Senate recede from that amount and add another $2M general funds to it, which is about another 20 beds to what the House had.

Chairman Pollert: The one item, the $955,000 would be separate? Or is this all as one?

Rep. Bellew: That would have to be separate.

Chairman Pollert: Then you're asking for $2M general funds?

Rep. Bellew: Yes.

Chairman Pollert: That's actually $4M total and roughly 40 beds?

Rep. Bellew: Yes, not quite 40.

Sen. Erbele: I need a little clarity on that. Are we on page 7 of the long-term care program?

Rep. Bellew: Yes.

Sen. Erbele: On the right column I see $2,100,000. How does your proposal affect that?

Rep. Bellew: The 955 is 475 general and 475 federal, so that would take away 955 from that if the Senate accepted it. My proposal is to add 20+ more beds at $2M general funds and $2M federal to what the House did.

Chairman Pollert: In the 02026, it is to restore the 955 that is written down as nursing homes and then didn't we ask for the HCBS waiver to be restored too?

Rep. Bellew: That was earlier.

Chairman Pollert: Then besides those, you're asking for another $2M general funds?

Rep. Bellew: Correct.

Sen. Mathern: I have another way of looking at that. Do you want to get into specifically negotiating this?

Rep. Bellew: When the time comes. I'm just asking this to be written on the list.

Chairman Pollert: I would suspect that maybe, let's say 20 is accepted but then maybe there might possibly be $1M.

Sen. Erbele: Are you saying of that 2.1, we'd probably see $1M off of that?

Chairman Pollert: I see two separate amendments. They would be to restore the 955, to restore the HCBS waiver of the 1M. Then besides that, he's asking for an amendment for us to discuss $2M general funds over top the 1.955 total. The 1.955 is half and half.

Becky Keller, LC: The Senate put the 955 in and you want to take it back off?

Chairman Pollert: Yes.

Becky Keller, LC: Keep in mind when we do these amendments, we're going off the House version not the Senate's version.

Chairman Pollert: Rep. Bellew is asking to go back to the 02026 for the $1M in HCBS.

Becky Keller, LC: You want to take it off?

Chairman Pollert: It would actually leave it in the House version. And then Rep. Bellew is asking for $2M general funds, $4M total funds for additional beds to caseload utilization.

Becky Keller, LC: Reduction or addition?

Chairman Pollert: Reduction. Is that correct?

Rep. Bellew: Yes.

Chairman Pollert: Becky, I've been hesitant about bringing this forward, the electronic health records. I would you to have an amendment ready for $2.5M, section 16 of the bill. I think that's all general funds. Also, would we still need to keep that language in there that the Senate added to 02026?

Becky Keller, LC: I would think we would have to keep part of it. I guess that would be up to you.

Chairman Pollert: If the sheet is correct, it won't finish it. It could be in 15-17.

Sen. Mathern: I would encourage you to keep the other language in there. They will be negotiating with providers and it will be to their benefit and our benefit if they could get the right deal to be able to go with the whole thing.

Chairman Pollert: Becky, I agree with Sen. Mathern on that.

Becky Keller, LC: Ok.

Chairman Pollert: I'm still not 100% in favor of the Senate's side of the $900,000 on congregate meals.

Sen. Mathern: I would encourage us to look at that based on the attempt of taking more beds out of the nursing facilities to the degree that we don't restore or don't keep all of the Senate restorations in. I think we ought to put that difference into the meal program. I think there is a direct correlation.

Chairman Pollert: Are you asking for language or more for input on our discussion?

Sen. Mathern: We're going to come to a point of negotiation of that cost of those bed numbers. If that cost happens to be $950,000 reduction of the Senate amendments, then I would say let's use that to fund the meals that you didn't want to fund.

Chairman Pollert: I'm not ready for the discussion on the meals yet. I'm still contemplating. I think there is an amendment about restoring the $250,000 in admin support or I should say to take away. There is $250,000 of operating expense under admin

support that the Senate restored. I think we had asked for that to be reinstated for a reduction. We asked the Senate version on medical services, the $42,000 stays, the 78 QSP mileage differential stays, we are agreeing on the transportation and the CHIP that the Senate restored, to keep that there. We talked about long-term care. We have agreed that the personal needs allowances that the Senate had changed, that $278,850 would stay. We're going to have a discussion on the wage pass-through. We agreed that the infant development, the 350 total would stay. I asked for the guardianship under aging services for about 442. Senior meals is still up. Ramsey County, we have clarification language coming. Rep. Bellew asked about some dollars in the Robinson Recovery Center. We asked for the $300,000 under the recreational to be removed. The guardianship amendments stay. On the vocational rehabilitation, the $50,000 added to the House's 50, we're in agreement on that. We're in agreement on the deputy director to stay. I gave you the language on the electronic health records. Rep. Bellew brought up the 16 unit down to an 8 unit with a study. There's only one more item I'm going to bring up, the meals.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 27, 2013
JOB 21572

☒ Conference Committee

Carmen Hickle

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order. It would be my intention not to discuss at this meeting the wage pass-through, the inflators, or the beds.

Sen. Kilzer: Can I ask to talk about one of the things that you said we weren't going to talk about?

Chairman Pollert: Yes, I meant that we weren't going to vote.

Sen. Kilzer: Through e-mails and in my personal thinking on the 4 and 3, the question is does that extend to all medical providers? It's my impression that it is just the ones that are affected by the $1 increase, and not the other medical providers like the ambulance drivers, Chiropractors, Physicians and hospitals. I would just like a clarification on that point. On the emails, it is a perception that it would be a 4 and 3 for all medical providers.

Chairman Pollert: On the House version, our impression was we talked about $1 and the 4 and 3 was statewide for everybody. If I look at the sheet we got for information from the DHS, I think that question is the top line item where it says "inflation for the Medicaid grant providers". I would suspect that would be hospitals, Physicians, ambulances, dentists, etc. On the bottom of that sheet general funds of the 4 and 3 statewide would have been 3.258 general fund reduction off of the 4 and 4. You were under the impression that the 4 and 3 would have been the inflation for the Medicaid hospitals, physicians, etc. that 961,660 reduction, you were under the understanding that was going to stay in so the reduction would have been roughly $2.3M general funds?

Sen. Kilzer: I wasn't sure what it was.

Chairman Pollert: Off the sheet you had requested that shows the 4 and 3 statewide, was it your impression you were thinking of on the $1 and the 4 and 3 was the inflation for DD grant providers, the inflation for nursing homes, the inflation for other long-term care providers, and the rest would stay intact?

Sen. Kilzer: Yes.

Sen. Erbele: Yes.

Sen. Mathern: I think the chart came as a request for information. It was never offered as a proposal.

Chairman Pollert: Our impression was the 4 and 3 was statewide. If that is the case we definitely got a ways to go here. If that is the Senate's position, we'll be looking at 85 cents and a 4 and 4. We'll be looking at a reduction on the wage pass-through.

Sen. Mathern: I'm wondering why a request for information was taken to be a position of the Senate. The position of the Senate is in the Senate bill.

Chairman Pollert: Our impression was that it was $1 and 4 and 3.

Rep. Bellew: Yes, I thought it was department-wide for all providers.

Sen. Mathern: I'm hearing two different things, statewide and department-wide.

Chairman Pollert: Department-wide and statewide are the same things. Off of the sheet, the House was willing to look at $1 if it was statewide. But if we are going to pull out everyone, then what the House is saying we are in a disagreement right now.

Sen. Kilzer: That's what I wanted to bring out.

Chairman Pollert: What I meant was that by the e-mails I was getting that there were some, I won't say miscommunication, but it is a horse of a different color. On the right side of the aisle in the House chambers, we won't agree with the $1 and the 4 and 4. With the $1 and the 4 and 3 or the 4 and 4, us, on the right side of the House chambers, feel the bed count with the inflator and the $1 are all in a similar discussion. Rep. Bellew, am I putting words in your mouth?

Rep. Bellew: Absolutely not Mr. Chairman.

Chairman Pollert: We have some things we have agreed on. If you have questions on if it's in the House version or the Senate version you need to bring that up so Becky has an understanding of what we are working on. Let's go to the third page of the proposed amendments from LC dated April 27. I would start at medical services program; restores funding removed by the House for a contract with the vendor to conduct pre-screening of potential providers.

Rep. Bellew: Do you want us to start approving these?

Chairman Pollert: I would suspect we have to have a vote but in order to have a vote, we will need to have discussion on it.

Sen. Erbele: Just so we correlate, on the 02026 version is that section 7?

Chairman Pollert: No, not section 7. The House had removed and the Senate agreed with us on the 02026 version, but I had learned that it is a new CMS requirement and that is why I asked for it to come forward.

Sen. Mathern: I agree on all four of those items under Medical Services Program. It appears the last three the Senate did approve. The first one, it is a new requirement and we need to meet it.

Chairman Pollert: I want to see if there is a discussion on the transportation and CHIPS. If I get an OK from the committee, we can vote on the first three or split them up. The House had removed, under Medical Services, the first, second and third and the Senate had put in the second and the third.

Rep. Bellew: I want to remind the committee what the provider in Minot said about the funding for Qualified Service Provider mileage differential. He said it was not needed because they are strict with that and that is why I asked for the removal of it.

Chairman Pollert: I will ask for separate votes then. The first one under the Medical Services Program, vendor to conduct the pre-screening of potential providers. Any opposition to the first one? Passed 6-0. The second one under Medical Services, the 42,000. Any opposition? Passed 6-0. Restores funding removed by the House for the oversight for QSP mileage differential. Passed 5-1. The fourth, the House had removed double this amount and the Senate had restored back half of it. Passed 5-1. We'll talk about the personal needs allowance that the House had switched over and put a CPI index in. The Senate had taken it all back out and had approved the basic care. The line item under the long term care program, restores funding removed by the House for personal needs allowance for basic care and ICF/ID. The total amount is $278,850.

Rep. Bellew: If we do it here, why don't we do it in the long-term care too? Those people need at least a 100 also.

Sen. Mathern: You're adding money.

Chairman Pollert: We're all a little shocked by that.

Rep. Bellew: The people in nursing homes should get at least the same as the DD people and basic care people.

Chairman Pollert: Because of that, we will not take a vote because Rep. Bellew has to find out what that cost is going to be. I don't want to vote on something that we don't know what the dollar amount is so I would ask that you find out.

Sen. Erbele: They are increased from 50 to 65 already in the budget.

Chairman Pollert: The basic care 85 to 100 and nursing homes 50 to 65 which is general funds increase of 512,780 and over a $1M total.

Sen. Mathern: Maybe we could deal with that right now. I think one of the issues, there are a number of people in acute care and there's a fair amount of care that's in and out care. The needs are different in a nursing home than in ICF/ID or a basic care in those facilities. I think the Governor's budget recognized the need for an increase and I think it makes sense that these two facilities are different.

Chairman Pollert: Rep. Bellew, do you want to find out the fiscal effect before we vote?

Rep. Bellew: No, I think Sen. Mathern made some sense there.

Chairman Pollert: If we keep it, this would be at the Governor's recommendation and pulls out the CPI. Any resistance to the 278? Approved 5-1. The other item "restores funding removed by the House for infant development caseload projections". The House did $350,000, did this fully fund it or is it half?

Becky Keller, LC: This was part of the DD reduction. We removed 2.3 total, 1.15 from each. This is the just the Infant Development portion of it.

Chairman Pollert: I'm looking at the House version of 01006, if this is under the long-term care program.

Becky Keller, LC: It reduces the developmental disabilities caseload projections and infant development was part of that. It wasn't split.

Chairman Pollert: The House had removed 2.3 total and the Senate restored back 350?

Becky Keller, LC: Yes.

Chairman Pollert: Any consternation? Approved 6-0.

Sen. Mathern: As a point of clarification on the item before that we weren't going to discuss, on the 50 cents to $1, the 14.8M, I just want to clarify that is 50 cents to a $1 plus the 4 and 4.

Chairman Pollert: No.

Becky Keller, LC: It would be with the 4 and 4 on that increase.

Chairman Pollert: But we did not play with the 4 and 4 and neither did the Senate so it wouldn't show any fiscal effect. So it's the 50 cent to $1.

Becky Keller, LC: Right but that 50 cent increase would be need the 4 and 4 on it too and that is included in these numbers.

Chairman Pollert: On a previous handout, it showed, in a brown box, 75 cents with the 4 and 4. In the yellow box, it showed 50 cents with the 4 and 4. The only difference would be the 50 cents, a 25 cent increase would be 7.4 general fund dollars, almost 14M total, so the 4 and 4 is included in the number but really the 50 cents is the only change.

Sen. Mathern: I was trying to clarify that the 4 and 4 is assumed to be behind this $1?

Chairman Pollert: On the sheets we show, yes, the 50 cents and 4 and 4 or the $1 and the 4 and 4 or the 75 cents and the 4 and 4 would all-inclusive. But the 14.858 is really only the 50 cents.

Sen. Mathern: I didn't want to confuse anybody to say we were backing off of our 4 and 4 by it not being listed here.

Chairman Pollert: If the $1 is in the picture, 4 and 4 is in the picture on the House side on the right side of the aisle. Aging services, restores funding removed by the House for guardianship services. Questions or discussion?

Rep. Bellew: That was all general funds, correct? That is what it shows. There was no federal match for guardianship?

Chairman Pollert: That's why it's an increase, because the House removed the $1M. The Senate put the 1M back in and we took out $400,000, so it would have to show as an increase.

Sen. Erbele: Do you agree with it?

Chairman Pollert: I'm the one who asked for the amendment. Any consternation? Passed 6-0.

Chairman Pollert: We will have the discussion on "Adds funding for senior meals". I would ask for an amendment for a reduction of $250,000.

Sen. Kilzer: If that's roughly what the senior mill levy would bring in, I would agree to that.

Chairman Pollert: I think it is pretty close.

Sen. Erbele: I struggle with a lot of the stuff we're doing here. I know part of what we're doing in this budget has to work together with the entire budget. It affects what we are doing for tax relief. The people that are receiving these programs are generally fixed-income people. When you are considering what we are trying to do for income tax relief, that is not a tax that is onerous to the people of ND. If you dropped our income tax reductions, if the other committees would do that and we adjust that formula even by $1M, would not be a great effect to the tax payers of ND that way. It wouldn't create any difficulty for them because paying income tax is an honor and privilege; it means you are making some money and things have been good in ND. These people are dealing with fixed incomes and if we have to do some shifting, we stand firm on this and adjust it at that end. The Heritage Fund took $30M off the table.

Chairman Pollert: I understand your point.

Rep. Bellew: ND income tax is onerous to me and my family and I would love to see a reduction and that has nothing to do with this.

Chairman Pollert: I am going to hold this over.

Sen. Mathern: I would encourage you to consider the relation of this to the number of beds we fund for nursing homes. To the degree that we fund this total amount for senior meals, I understand that we might have to look at that in relation to how many beds we fund or nursing home days in the state.

Chairman Pollert: Under Children and Family Services, this is dealing with Ramsey County, the House added $150,000 and the Senate added another $150,000. This amendment would be $300,000. I would suspect at some point we have to go through the clarification of the language.

Sen. Kilzer: Are we going to call it one-time funding even though it probably won't be?

Chairman Pollert: I thought the language showed that they would have to come forward for more funding the next biennium.

Sen. Kilzer: I don't think there's controversy on that.

Chairman Pollert: The language that I show is for the biennium beginning July 1, 2013 and ending June 30, 2015. So that sunsets it and they would have to come forward next biennium to ask for the money.

Sen. Mathern: I wonder if something is happening in 1233, which could affect the amount needed here and it would be nice if some of it was funded in 1233 so we wouldn't need as much.

Sen. Erbele: They settled 1233 yesterday evening.

Chairman Pollert: It's not settled.

Sen. Erbele: That's what the conferees said when they came out.

Chairman Pollert: What is the status of 1233? Because there was talk of moving it to $102M or $100M.

Sen. Erbele: They left it at $20M with a study.

Chairman Pollert: It's not finished yet. If 1233 passes, there is for Ramsey County a $300,000 some that would reduce Ramsey County.

Sen. Erbele: If it's at the $100M level?

Chairman Pollert: No.

Sen. Erbele: At the $20M level it would do that?

Chairman Pollert: At the $20M level it lowers it $300,000 and some to Ramsey County. Ramsey County was looking for $709,000. There is $300,000 here and depending on the outcome of 1233, that would be $300,000 and some.

Sen. Mathern: If the House passed the $100M version, it might impact this. If it's the $20M version, I think we're fine with this.

Chairman Pollert: The $100M version, I would be shocked if that passed on the House side and 1233 will still be discussed. Any consternation on the $300,000 total? Approved 6-0.

Chairman Pollert: Robinson Recovery Center, the funding of $150,000 added by the Senate for additional services to be provided by the Robinson Recovery Center is not included. Becky, I think there were two separate motions on the Senate side; one was for $150,000 in appropriations and one for a floor amendment of $146,000?

Becky Keller, LC: Right and the floor amendment is further down the page when we get to other changes affecting the program. That is a section of its own, Section 19.

Chairman Pollert: The funding on the $150,000 is an addition. You don't show it here though because this was asked to be removed, is that why it's blank?

Rep. Holman: Their funding level to maintain services is at 296.

Sen. Kilzer: It was my impression that the request for 296 was to add services, including 2 FTEs, a nurse and family therapist, plus 5 female beds. The way this is written, I have angst so I will vote against the proposal.

Sen. Erbele: We can all agree on the $150,000 here and carry the discussion further when we get down to Section 19. How do you want to do that or talk about the Recovery Center in its totality?

Rep. Bellew: I think we should take Sen. Erbele's suggestion and do them one at a time. Do the $150,000 now and talk about the $146,000 when we get to it.

Sen. Erbele: I'm just asking if that is what he is planning on doing or if we agree on the $150,000 then we are done at the Recovery Center and that's it. If that is the case, I'm against it. But if we can continue the discussion on the $146 you weren't in the position on the $150 on your side so we brought that $150 in. Now you're agreeing to the $150,000 and we added more to that with our floor amendment.

Chairman Pollert: I'm looking at section 19 on 02026. I thought that was part of the 1.243 and I should have known it wasn't. That's a stand-alone section that was added, right Becky?

Becky Keller, LC: I just wanted to clarify that the way this is worded now, there is no money for Robinson Recovery; the $150 is out.

Sen. Kilzer: We're just talking about the increases.

Becky Keller, LC: Correct, and this at the top, the funding of the $150 that was added by the Senate is not included.

Chairman Pollert: When we come back, we'll start with dealing with the funding of $150,000.

Sen. Erbele: There are no dollars in the column there.

Chairman Pollert: That's correct; we are going to come back to continue our work further. Recessed

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 27, 2013
Job 21581

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes: *Handout 1, 2, 3, 4*

Chairman Pollert called the meeting to order. We are on the top of the amendments discussing the Robinson Recovery Center. This is off the OAR sheet (Handout 1). This is what the Senate had done (Handout 2).

Sen. Kilzer: It was my impression that the $296,000 would have been used for two staff positions, a nurse and a family therapist, and 5 additional female beds.

Chairman Pollert: So the $150,000 by Senate appropriations, was that to cover services?

Sen. Kilzer: It was my impression that would add 1 FTE.

Sen. Mathern: I believe the bed situation wasn't such that relates here to what Sen. Robinson said, adding the 5 female beds. I support this item because it was an OAR which means it was something that was prioritized by the DHS to meet overall needs. It wasn't chosen by the Governor to be placed into the budget.

Rep. Bellew: My understanding is that the OAR was $150,000 and the $146,000 was a floor amendment and that was not an OAR.

Chairman Pollert: The OAR comes out to $296,000 a biennium. This handout says $148,342 per year. The OAR talked about the request for the $296,000, due to changes in clientele, a psychiatric nurse and family therapy in addition to funding for medications. So the number that the Senate added adds up to the OAR but the intent of the Senate amendments is different.

Sen. Mathern: In an organization like this, it's generally a mix of funding that accomplishes the full purpose. Probably this 148 times 2 is really just one part of this facility. It's

probably the combination of funding sources that completes the deal. That's how I suspect there is a difference.

Chairman Pollert: I would be in support of maybe half of that funding, but I'm not supportive of the other. I would prefer a vote on this on Monday. There is a difference of opinion here on what we're thinking about. We'll move over to the amendment sheet. It would be my intent to hopefully vote on the remainder of these on Monday morning and have a consensus by Monday afternoon. We're going to have some issues come up on Monday morning.

Sen. Erbele: On the leisure facilities, the recreational program, would you consider a lesser amount than the $300,000?

Chairman Pollert: I'm not in favor of any of the $300,000. I think that's a bill that should forward in the next biennium because it failed in the House.

Sen. Erbele: If we're in agreement to leave that off, would you consider having a portion of those dollars go to the recovery center?

Chairman Pollert: More than the half?

Sen. Erbele: Yes, more than the $150,000.

Chairman Pollert: I'll think about it.

Rep. Holman: Of course I'm still supporting the recreational centers. We had a discussion earlier today about congregate meals. That's more than just food. It's about connecting with people. In the long run, it extends the time that people can live independently. I think the same thing could be said for the rec centers. The same concept applies.

Chairman Pollert: Not to beleaguer the argument, but when the House policy Human Services committee has a Do Not Pass and it doesn't pass on the House floor, some people say we don't listen to the policy committee. Moving to the next item; adds funding for guardianship services for DD individuals. This was an increase off the Governor's budget of $100,000. This would be an add-on to the House version. I think this deals with an additional 10 caseloads.

Sen. Mathern: In corporate guardianship?

Chairman Pollert: Yes. Any dissenting votes? Passed 5-1. Moving to vocational rehabilitation, the House had added $50,000 and this is an additional $50,000 added on from the House. I think there was an OAR that wasn't funded. It wasn't on their priority list.

Sen. Kilzer: I don't have consternation with it, but the request had been for 150. I don't see that on here.

Chairman Pollert: Maybe it's possible that it didn't make the list. Any dissenting votes? Passed 6-0. On the last page of the amendments, under the State Hospital, restores

funding removed by the House for water temperature controls for shower rooms in LaHaug building. The House had removed $75,000 and the Senate put it back. Any consternation?

Rep. Bellew: When my kids were 2 years old, they knew what hot and cold water was. If it got too hot, we turned the water heater down.

Sen. Mathern: This is to meet a life safety code for the accreditation of the facility. I think Rep. Bellew's argument would be more directed at the code officials. I don't think anybody at the State Hospital would be doing this if they didn't have to.

Chairman Pollert: Anybody dissenting? Passed 5-1. Going down to the southeast human service center. This is dealing with the 16 unit transitional living facility. Rep. Bellew had brought forward to change it to 8 beds.

Rep. Bellew: I also requested a report before the next session to see if this is doing what it's supposed to be doing and if additional beds are needed.

Becky Keller, LC: I'll add that in.

Sen. Erbele: Do we have to be concerned about what point and time the report needs to be received so that if there is something that needs to be done that it doesn't come after the fact to the session?

Chairman Pollert: Rep. Bellew wanted it by the time the organizational session starts in December.

Rep. Bellew: You make a lot of sense. They start doing their budget prep by July, so maybe by July 2014?

Chairman Pollert: That only gives a year. I agree we should have it before the legislative session. If we wait until the organizational session, that gives us another 4-5 months of information. Would you be comfortable if that language says that?

Rep. Bellew: Yes.

Sen. Erbele: Just so it gives us time to address it for the session if we need to.

Sen. Mathern: I think 8 beds are better than no beds. I'm concerned though that the 16 bed unit was outlined that way to reflect the need and support for the State Hospital budget. Those 16 people will be someplace. If we reduce this by 8, there is a consequence to the State Hospital budget and to their census.

Chairman Pollert: The people on the House side of the right side of the aisle always have consternation about transitional beds. I think Rep. Bellew asking for the amendment adding 8 beds and the study is him acknowledging the Fargo area's case problems.

Sen. Mathern: It's kind to say this is adding 8, but it's reducing 8.

Rep. Bellew: This is adding 8 because it wasn't there before.

Sen. Mathern: It was in the Senate bill and this is reducing 8 from that. I want to remind us too that we are funding the State Hospital only at 85%.

Sen. Erbele: If we do go to 8, those would be additional bullets for the recovery center.

Chairman Pollert: But the 16 unit transitional is mental health whereas the Robinson Recovery is addictions. But point taken.

Sen. Mathern: In the field of behavioral health, chemical addiction and mental health are very close and maybe the same. Many of the people that are receiving a chemical addiction service also have mental illness and have another diagnosis.

Chairman Pollert: Any dissenting vote on the southeast human service center going to 8? Passed 6-0. South Central adds funding for transitional employment. Any dissenting? Passed 6-0. I'm going to move to the language. I'm going to wait on the admin and the electronic health records. The long-term care beds inflationary dollars is waiting until Monday, along with the senior meals, Robinson Recovery Center, and the recreational facility. On page 4, the first one on the list is the TBI study. Was there a bill out dealing with a study for TBI?

Sen. Mathern: There was no bill. There was a request for a statewide traumatic brain injury program. Presently there is a partial funding of traumatic brain injury in this budget and there was a request to increase that to make that available statewide. That was not approved in the Senate. This is a substitution of a request for money by having a study of the issue. It's not a mandatory study. It's the same as I handed out yesterday.

Chairman Pollert: I think we have enough studies. Any consternation?

Sen. Erbele: I'm with you.

Chairman Pollert: Passed 4-2. The next one is to add legislative management study. Does this pull sections 17 and 18 and then this would replace it?

Becky Keller, LC: Yes.

Sen. Mathern: I have read the suggested study resolution and compared it to the item in the bill. I suggest we change the study resolution to make it clear that we want some sort of specific stakeholder recognition of the study, maybe even some ability to put money into legislative management from private parties to assist with the possibility that some consultation would be important to be used. We would change it to make it a little more focused and to make it more amendable to getting outside influence, if you would be open to that.

Chairman Pollert: This had a Do Not Pass in whole appropriations and failed on the House floor. The right side thought this should be a legislative management study and just of legislators of which they would have private industry business owners coming up for

public testimony. We could vote on this and if it fails, or if you want to have an amendment on this, but this is as far as I'm willing to go.

Sen. Mathern: So you're saying to vote yes for this is a vote to take out the Senate language and to add this language?

Chairman Pollert: Becky, does that have to be two separate motions to pull sections 17 and 18 and then add this in as a section?

Becky Keller, LC: You can vote to replace sections 17 and 18 with this section.

Chairman Pollert: Any dissenting votes? Passed 5-1. The next one is relating to child support. Any dissenting? Passed 6-0. The next one is section 7; that is clarification language. Any dissenting? Passed 6-0. Section 9, relating to personal needs allowance. Failed 1-5. Ramsey County, dealing with the directional. Any dissenting? Passed 6-0. The adaptive skiing grant in section 12 is clarification language. Any dissenting? Passed 6-0. The deputy director is taken from the vacant FTEs list. Any dissenting? Passed 6-0.

Sen. Erbele: Weren't you talking on that?

Chairman Pollert: Yes, but I haven't asked for the vote. We'll do that Monday. Depending on how that goes, section 17 would have to be in that language. That would be my intent. Section 17 is the appropriation in the health care consortium which has turned to a legislative management study. This is asking to pull sections 17 and 18.

Sen. Mathern: I thought we did that in the other vote.

Chairman Pollert: Right. We did. Passed 5-1. We're waiting with sections 19 and 20 for Monday. Section 21. Any dissenting? Passed 6-0. I want to have a little discussion on the wage pass-through. The Senate is thinking $1.

Sen. Mathern: I think the Senate was at $1 and 4 and 4. I think the sheet that was handed out was a request for information in terms of what it would cost.

Rep. Bellew: To me, this is probably the biggest point of contention in this whole budget. I would like to suggest 75 cents and see if the Senate would mull that over the weekend, with the 4 and 4. If they won't, keep the $1 in there and lower the inflator.

Chairman Pollert: Does that include hospitals?

Rep. Bellew: No, that's just the DD people, nursing homes, the basic care and QSPs.

Chairman Pollert: I'm the same too. Right now, we're throwing out 75 and 4 and 4.

Sen. Erbele: I agree with your choice of words to throw out.

Sen. Mathern: I think a positive development today is that we're separating these different providers. That the medical providers are staying at 4 and 4. My hope is that we would

stay at $1 and if the House can't fund at the Senate level that we look at the inflationary aspect in the second year. But that we start at $1.

Chairman Pollert: You can see that we feel that everybody should be at 4 and 4. But if we're going to be at $1, someone is going to have to pay for that differential. We'll talk about this on Monday. The beds counts are in that discussion as well.

Sen. Mathern: I appreciate the concept of everybody should be at $1. There is a distinct difference between these providers. The providers that are on the top of the sheet are highly controlled and funded by public programs to a much greater extent. The mix of income is a lot different. Almost everybody in a DD facility is someway publicly financed, where in a hospital that is not the case.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 29, 2013
Job 21593

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order. When we left here, the House had talked about 75 cents and 4 and 4. The Senate was at $1 and 4 and 4. Has there been any movement on the Senate side?

Sen. Mathern: The Senate is unanimous on $1 and 4 and 4.

Chairman Pollert: So nothing has changed on that.

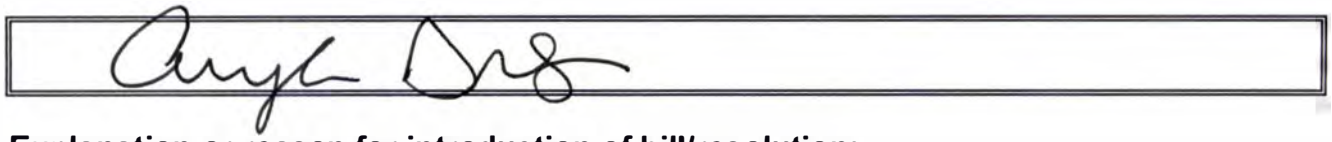
Chairman Pollert recessed the meeting.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 29, 2013
Job 21609

☒ Conference Committee



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Minutes:

Chairman Pollert called the meeting to order. We'll start on the second page of the proposed amendments. The Senate action to restore $250,000 of operating expense reductions made by the House is not included. If I'm correct, what that's saying is that there is no action. Do we have to vote?

Becky Keller, LC: You would have to vote not to include it.

Chairman Pollert: We would have to accept the House's action on the $250,000. Where is the section on the $1.1M?

Becky Keller, LC: Page 4, section 20.

Chairman Pollert: On the $250,000 that the House had pulled out. Discussion?

Rep. Bellew: I believe in the House side when we passed this over to the Senate there was $750,000 in this line item of operating expenses that the department was to manage within the department. The department does have the ability to move funds from one area to another. It was the House's position at that time that we felt there was at least $750,000 in this part that they could reduce operating expenses by. After all, the total budget is pushing $3B.

Sen. Mathern: The Senate took two attempts to restore all of these expenditures; first in the committee and then on the floor. We came to the conclusion that they were important expenditures. At this point, if we restore one of those $250,000, I think that would meet what the House is saying.

Chairman Pollert: This was an amendment asked for by Rep. Bellew, correct? You asked to pull the $250,000 from the Senate bill.

Rep. Bellew: Yes I did.

Chairman Pollert: If you are in support of this that is keeping the $250,000 reduction intact.

Sen. Mathern: Are you talking about section 20 or the item on page 2?

Chairman Pollert: I plan on taking action on the one on page 2 and then going to section 20. I'm in support of this amendment. Any dissention? So that is ok for the House stance to pull $250,000 by 6-0.

Sen. Mathern: No, I thought it was the other way around?

Chairman Pollert: I was calling for it to go to the House version. That's what Rep. Bellew's amendment would have been.

Becky Keller, LC: The Senate put the $250,000 back in. So, you either want the $250,000 back in or you don't. If you want that to not be included, vote yes. The question is do you want $250,000 restored.

Chairman Pollert: The House took $1.350 out. The $250,000 to be an actual reduction to the budget would require what vote?

Becky Keller, LC: The $250,000 is already reduced. The Senate tried to put it back in.

Sen. Erbele: We put it in, so we would want to recede from that $250,000 and then we agree that it would be out.

Becky Keller, LC: Right. If you want the Senate to recede from that, vote yes.

Chairman Pollert: So maybe some didn't have the right vote then.

Sen. Mathern: I apologize, that would be a no vote then.

Rep. Holman: I'll stay with Sen. Mathern.

Chairman Pollert: Instead of 6-0, that is a 4-2 approved.

Rep. Bellew: So that means we are reducing the DHS operating expense line item by $250,000 right now?

Becky Keller, LC: You're keeping the expense line at the $750,000 reduction that the House made because the Senate tried to restore $250,000 of that and that has now failed.

Sen. Erbele: It's going to look like the way you sent it to us.

Chairman Pollert: So depending on the next vote will decide if it's the $250,000.

Becky Keller, LC: Let's take that vote and decide on a number you're comfortable with.

Chairman Pollert: At the current moment, with that 4-2 vote, there is $750,000 out because we're going back to the House version?

Becky Keller, LC: Yes.

Chairman Pollert: Moving to section 20 on the fourth page. So a yes vote on this says we want to throw $1.1M back into the budget, which would take the previous motion of the $750,000 and drop that by $500,000. Besides the $600,000 for the human services centers and the other matches. So a yes vote removes $250,000 from the DHS budget.

Becky Keller, LC: It adds it back in. This is to restore $1.1M. Oh, I see. You're right.

Sen. Mathern: A yes vote on this is accepting the Senate amendment of $1.1M?

Chairman Pollert: Yes, but involved in that is the $250,000. Any dissenting votes? Passed 5-1, so the net to the DHS is $250,000. Back to page 2, under IT, restores $2.5M on the electronic health records. Any dissention about spending $2.5M? Passed 5-1. Going to the fourth page, section 16. This is legislative intent language dealing with the electronic health records. Any dissenting votes? Passed 6-0. Under the DD division on the fourth page, it's the funding of the recreational programs.

Rep. Bellew: My only comment is to remind the committee the House did defeat this as a stand-alone bill. That's the biggest reason I am against this at this time, and there are 30 other providers out there who would probably think they need this also.

Chairman Pollert: So a yes vote would appropriate the $300,000 or take it away?

Becky Keller, LC: A yes vote would leave it off.

Chairman Pollert: Any dissention?

Rep. Holman: This is actually a money saver. It is in the larger cities because that is where it is most often needed and that is where a lot of our DD clients congregate because there are more services. What we have here is filling a need, similar to what we do with meals. These day and evening activities also allow staff to identify potential problems and maybe avoid additional costs down the road. It isn't totally a one-way cost.

Sen. Mathern: I think there is some credence to Rep. Bellew's concern about the other areas. This is basically not running the whole program; this is putting in $75,000 per year for two separate facilities which is really only a small part of the operational costs. I believe it would be appropriate to fund this kind of activity throughout the state. I think this expenditure makes sense. I'm going to vote no.

Rep. Holman: Talking cost, if you look at the number of people that take advantage of these services in those places, we're spending a little less than 50 cents a day for this type of service.

Chairman Pollert: That is not included in the budget by 4-2. I'm going to move to the top item on that page, the Robinson Recovery Center. It would be my directive to go from this to section 19. Discussion? A no vote on this keeps it in the Senate version?

Becky Keller, LC: Right.

Sen. Erbele: For clarification, we're going to deal with the top part and then pick up section 19. On top it says not included, but if we want it included then we're going to have to say no. That's my vote.

Chairman Pollert: So we all understand a no vote is to put it in the Senate form. So when I say dissention, that's the opposite. If you want the $150,000, say yes, even though yes in this case means no. Correct?

Becky Keller, LC: I'll know what you mean as long as you just one way.

Sen. Erbele: Just ask if we want the $150,000 in the budget.

Chairman Pollert: I'm asking if you want $150,000 in the budget. There are 6 votes to the affirmative to add it to the budget. Moving down to section 19. Those in favor in the full funding of the $296,000.

Rep. Bellew: I need a clarification. If we vote for the $296,000, that means there will be 5 additional beds at Robinson from the Senate amendments?

Chairman Pollert: Yes, 5 female beds and 1 staff.

Sen. Kilzer: That's correct.

Sen. Erbele: A psychiatrist.

Chairman Pollert: So one staff person. Those in favor of adding $146,000 to section 19. Any dissention from not adding it? Section 19 is added for a total of $296,000 to Robinson Recovery Center with no dissenting votes. There are three items left on the third page. This will be a discussion on the inflators and wage. The Senate added $1 and 4 and 4. The House had 75 cents and 4 and 4.

Rep. Bellew: The Senate is pretty well set on the $1, but I think we need to talk inflators. I think I brought up a possible 3 and 2 or 2 and 2. Each percent is roughly $2M general fund. Going from 50 cents to $1 increased general fund spending by almost $15M.

Chairman Pollert: We might be wasting our time or maybe something changed. Do you want to vote on 75 cents and 4 and 4?

Rep. Bellew: Sure.

Sen. Kilzer: Rep. Bellew is correct. The Senate is really dug in on the $1. That's the message we're getting from our nursing homes, our colleagues and the people that work in this field. The turnover is getting to an unacceptable level. It is affecting quality of care. The inflators are also important. That's what inflation is, keeping up.

Chairman Pollert: So even if we take a vote, it might be 3-3. So why even go there. I would want to bring an amendment in. It will say the funding appropriated in subdivision 2 includes money from the general funds and federal funds for providing payments to basic care and nursing facilities to allow for a wage pass-through increase for employees beginning July 1, 2013. Basic care and nursing facilities may not use the money received under this section for providing wage pass-through increases to administrators or directors of nursing. I think that's the language we've had the last few sessions. Is that how we've done it in the past?

Lori Laschkewitsch, OMB: That is how we've done it in the past.

Rep. Bellew: I do appreciate what Sen. Kilzer said, however I am not totally convinced that going to $1 will reduce the turnover. I think the turnover is still going to be 30-34%.

Sen. Erbele: It may still be at 30%, but it will keep it from going to 50 or 60.

Sen. Mathern: I was thinking that another way of approaching this would be to look at the $1 and look for the next year inflator and then look at other parts of the budget and go to the last inflator. I presume you're also concerned about the issues of the counts we have with nursing home beds and home and community based services. I hear the House talking about a final number concern.

Chairman Pollert: There's no need to take a vote on 75 and 4 and 4. The Senate had in the bill $1 and 4 and 4.

Sen. Erbele: To be conciliatory, my low position would be 4 and 3 and $1.

Chairman Pollert: You're talking $1 for the group of people we talked about. Then are you talking for everybody department-wide for the 4 and 3, or are you just talking for the 3?

Sen. Erbele: As we had we talked the other day on the 3, the 3 that we had isolated out of there.

Chairman Pollert: So you'd keep the 4 and 4 for the Medicaid grant providers, hospitals, physicians, EMTs. We know what we're talking about. I would say I would not accept $1 and 4 and 3. I hear Rep. Bellew saying no.

Sen. Mathern: I would suggest then that we go to the long-term care program and come to some agreement on those items.

Chairman Pollert: I could throw it all into one package if you wanted.

Sen. Mathern: The nursing homes and HCBS, I presume we agree that they're important and that we want to fund those services. We also understand that those are entitlement services, essentially where the services will be provided no matter what the appropriation is. If we don't add sufficient dollars, the department will come back with a deficiency appropriation bill. In a sense, we have not hurt those people or other programs based on the number we choose. You have a different number of persons that would be served than does the Senate. We didn't disagree that we would provide those services; we disagreed on the number of persons that will be coming forward.

Chairman Pollert: I think I might be amenable to: under the long-term care, I would be in support of putting back the $955,000 on the nursing homes back to the House version. I would be in support of the HCBS waiver of that $1M put back to the House version. I would be in support of the $2M down below, $4M total. I would be in support of the Medicaid grant providers, on an inflator at 4 and 4. I would be in support of a 3 and 3 to the long-term care, DD and QSPs, and $1.

Sen. Mathern: What is the other $2M you talked about?

Chairman Pollert: Right below, under the long-term care program on page 3. The expanded bed would be taken out of the House version because that would stay in the budget, the 955 nursing homes, the $1M under the HCBS waiver would be put back to the House version and the $4M of which 2 and 2 from general funds and federal would be included, plus $1 and 3 and 3 and then the other providers 4 and 4. The Senate wanted to add 14.858 to the budget. Basically what the House is doing is it would pull $2M out for each percentage, so there would be $4M coming out of the inflator for the three categories. Basically we would be conceding to the Senate on $14,858,778 for the $1 pass-through, but we're asking for $4M on the backside. You're gaining $10M off of the House version.

Sen. Mathern: I think there is merit in what you say. However, the other party here is the budget itself, that's the Governor's recommendation. What you are suggesting for the final package, would leave the department short $16M because there are a number of items that we would not fund in the package that you suggest.

Chairman Pollert: I would say it would be 11. Was the House version 7 total from that and then Rep. Bellew's amendment for the 4? Besides the $4M on the 3 and 3 would get you to 15.

Sen. Mathern: If we passed all of the Senate amendments, we would still be short $16.8 general fund dollars. In the changes we have made, we have added legislative initiatives. So coming up to the level of the Governor's budget, we should be doing some more steps in paying for legislative initiatives. I hope that the package you offer could include the 4 and 4 for the DD providers and the nursing homes because even with that, we have not been wild spenders. This has been a conservative budget compared to what the Governor brought forward. I appreciate the view of the total package.

Chairman Pollert: I'm looking for a vote. We didn't ask for a vote on the 75 and 4 and 4. We're not in support of $1 and the 4 and 4.

Sen. Erbele: 4 and 3 then?

Chairman Pollert: You could talk about the 4 and 3 if you want.

Sen. Erbele: I thought we voted on that already?

Chairman Pollert: You could say we did because it wasn't going to get the support of at least 2 House members. So it's moot, and that's why I brought up to do what's here; to do the 4 and 4 for the Medicaid grant providers and to do the $1 but 3 and 3.

Sen. Mathern: The compromise then between the House and the Senate as you have laid out all of the other variables, you have all those variables and you're at 3 and 3 and the Senate has all those variables and 4 and 4. So the compromise would be all of those variables and a 4 and 3.

Chairman Pollert: The compromise would be 4 and 4, $1, 3 and 3 to the people who get the $1 wage pass-through. This is 14.8 from the Senate side and the House is asking for $4M on the inflators from the 3 and 3. I think that's the compromise and the Senate comes out $10M ahead.

Sen. Mathern: It's the people that come out ahead.

Chairman Pollert: The hospitals would be getting their 4 and 4 and the Medicaid providers, the DD and the long-term care are going to get $1 plus the 3%. They'll at least get 2%, so now we're talking $1.50 an hour. We could bundle those together.

Sen. Erbele: At the risk of agreeing with you and then probably both of us being wrong, whatever we come up with here, we're looking at the option of either chamber turning it back on the floor. If you're willing to put those items back under the long-term care, I would support the 3 and 3.

Chairman Pollert: If I hear you correct, the 955 would be the House version, the $1M to House version and Rep. Bellew's amendment for the $4M, the 4 and 4?

Sen. Erbele: Yes.

Chairman Pollert: I'm going to ask for a vote.

Sen. Mathern: I presume there will be another meeting with the amendments.

Chairman Pollert: There is one more topic; the congregate meals. Basically it's the bed count of what Rep. Bellew was asking about. It restores the $955 that the House had taken out, it restores the $1M of HCBS the House had taken out, it would do another $2M general fund and $2M other funds of beds plus the 4 and 4 to the Medicaid grant providers and then $1 wage pass-through and a 3 and 3 to those 3 entities. With the package I just talked about, is there any dissention?

Sen. Mathern: Dissent.

Rep. Holman: Dissent.

Chairman Pollert: Under long-term care where the 145 is at, we know that was put back, and the $2M, and the $1 and 3 and 3, and 4 and 4 to the Medicaid providers. Those have passed 4-2. The last item is the congregate meals. The House threw out an offer of $250,000.

Sen. Erbele: I feel very strongly about this program. In the view of what we talked about on other mill increases and valuation increases, I think we could be alright at a lesser number. I think $250,000 is cutting it a little too deep. I would be willing to move the $900,000 down to $800,000 as an offer.

Rep. Bellew: At the minimum, I would like to see 200 because of the eighth of a mill increase through the senior mill match. We know the homes in this state are really going up in value. I think they will more than make that up in the mill levy match.

Chairman Pollert: Rep. Bellew, Sen. Erbele 150?

Sen. Mathern: From the top?

Chairman Pollert: Yes, it would go from $900,000 to $750,000. That's a compromise between Sen. Erbele's 100 and Rep. Bellew's 200. I'm in support of that. Any dissention? Passed 6-0.

Chairman Pollert recessed the committee.

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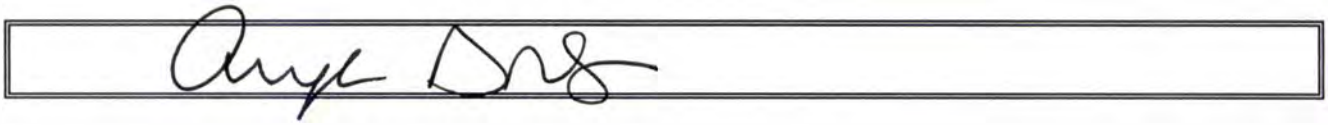
Job 21619

☒ Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order. There was a quest for a minor amendment.

Sen. Erbele: I would like to see what we have done, that we remove the exemptions for all staff in the long-term care. I would move that we would eliminate all exemptions for the $1 pass-through.

Rep. Bellew: Does that include the administrators too?

Sen. Erbele: Yes.

Sen. Mathern: Second. I reviewed the history about this amendment. About a decade ago, we added an additional number of cents per hour to these providers. In the interim, we found out that some institutions took that amount of money and allocated it to specific categories within their institution and very little of it went to the front-line people that we were primarily concerned about. The next session, we passed some amendments to make sure that it went specifically to where we wanted it to go. Based on what they are now doing, I don't think there's a need to have this amendment.

Chairman Pollert: Would we be able to track where this money went? If this doesn't happen, what we're talking about, we will go back to what we did in 03-05. If we're going to do the $1, we want to make sure it goes to the right places.

Sen. Erbele: I would totally agree with that.

Roll Call Vote: Yes: 6, No: 0, Absent: 0. Motion passed.

Chairman Pollert recessed the committee.

2013 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Sakakawea Room, State Capitol

HB 1012
April 30, 2013
Job 21637

☒ Conference Committee

Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation for defraying the expenses of the department of human services; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded service payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

Minutes:

Chairman Pollert called the meeting to order. I would like LC to go through the amendments.

Becky Keller, LC: We'll start on page two. Section 7 is the amendment for section 12-60-24 and it relates to adding the words "and approvals" for legal guardians. Section 8 is amending 14-09-09.10 and that relates to child support payments. As you go down the page, we are replacing $150,000 with $300,000. I believe that is for the grants to Ramsey County. We also changed the date in the Ramsey County section and then we also added language that "No more than 50% of this appropriation may be distributed in each fiscal year of the biennium". The next couple lines relate to the grant for the adaptive skiing program. We're making it a grant rather than "grants" and putting in some clarifying language. On page 3 we see the language for section 15 which is the legislative management study on the ND health care. Section 16 is the study for brain injury. Section 17 is the legislative management report for the transitional living facility where they will report to the budget section in December 2014 on the status of that facility regarding the 8 unit transitional living center. On page 4, section 20 is legislative intent for the electronic health care records. This allows them to use other funding if they can find it. Section 21 is the appropriation where we have funded all the initiatives that were adopted but had no funding in them. Section 19 is legislative intent for the deputy director position which allows them to appoint a deputy director if they use one of their existing FTEs. At the top of page 6, you will see the amendment for Section 21 where we are adding the initiatives and it gets its own header because we kept the language in the body of the bill. They also are getting the 4 FTE in that section.

Chairman Pollert: Where is the 1.243 on the amendments we were working off of?

Rep. Bellew: On the back page.

Becky Keller, LC: In the middle of the page, we start with the changes to the management portion to DHS. These are the same pieces of language that you will see in the worksheet that was provided to you also. We have removed the compensation adjustments made by the House. We then adjust the state employee compensation and benefits package per the agreement between the two houses. Funding removed from the general fund by the House for central office operating is partially restored. That is $500,000 general fund and $700,000 other income. In Information Technology Services, we restored $2.5M of the $5M for the electronic health records system replacement. On page 7, you will see the changes for program and policy subdivision. In Economic Assistance and Child Support there were no changes, the same as the House and Senate versions. Medical services, we restored funding removed by the House for the contract with a vendor to conduct the prescreening. We restored funding for professional medical expert reviews of medical records. We restored funding removed by the House for oversight for qualified service provider mileage differential. Then we restored a portion of the funding relating to the caseload projections reduced by the House for transportation and CHIPS. In long-term care, we restored funding removed by the House for the caseload projections for expanded SPED. We reduced funding for long-term care caseload projections for nursing homes and HCBS waiver. That's in addition to what the House had done.

Chairman Pollert: Because we are going off the House version, the 955 and the $1M doesn't need to be reflected?

Becky Keller, LC: Correct. We restored funding removed by the House for the personal needs allowance for basic care and ICF/ID. We added funding to increase the nursing facility, basic care, DD and QSP provider pass-through from 50 cents to $1 and decreasing the inflationary increase from 4% each year to 3% each year. That's the net affect you see. We restored funding removed by the House for the infant development caseload projection and this was part of the DD caseload projection reduction that the House made. Under aging services program, we restored a portion of the funding removed by the House for guardianship services to provide $215,000 for petitioning costs and $383,000 for contract staff. We then added funding for senior meals. Under children and family services program, on page 8, we added one-time funding for grants to the county social service board that is not on a reservation but is experiencing an increase. Under mental health and substance abuse we added funding for additional services to be provided by Robinson Recovery. There were no changes to the DD Council, same as the House and Senate versions. DD Division we added funding for guardianship services for DD. Under Voc Rehab we added funding for the older blind program. Then you see the other changes affecting the program and policy programs. Those are the sections we already went over. So if we go to page 9 you will start to see where we changed field services. On page 10, you will see the discussion on that. For the State Hospital we restored funding for the water temperature controls. In the developmental center we had no changes. Statewide human service centers we restored funding removed by the House for operating. In the next few service centers we had no changes. In Southeast we partially restored funding removed by the House for a 16 unit transitional facility and we provide the funding for an 8 bed unit. In South Central we added funding for the transitional employment grants. Those are the cumulative changes for DHS.

Sen. Mathern: Now that 1422 has passed, in terms of child care, was that funded in 1422?

Chairman Pollert: Yes.

Sen. Mathern: What are the general fund and the federal funds that would be spent out of DHS?

Chairman Pollert: I know there was appropriation language in 1422.

Sen. Mathern: One of the bills was 1038 regarding autism. But the 1422 regarding child care had a dramatic amount of federal impact I believe. I noted it wasn't in the bill as an appropriation.

Chairman Pollert: I'm seeing a shake of heads no.

Becky Keller, LC: The most current version that I see has $1M from the general fund for providing child care provider incentive grants, $300,000 from the general fund to DHS for early childhood service specialists, a contingent appropriation of $2.5M for childcare grants, and then we have legislative intent, applications and expiration dates, so I didn't see any federal funding.

Sen. Mathern: I noticed we changed the eligibility criteria from 50% to 85.

Rep. Bellew: I think that's why the $2.5M contingency appropriation was put in there. Currently the department has roughly $21M in child care grants and if they run short of the federal money, then the state dollars will take over.

Sen. Mathern: I just wanted to make sure we weren't passing something that wasn't funded and would create some other difficulties. But it sounds like it's totally funded.

Chairman Pollert: Any questions on what LC just went through? On page 5 would be the fiscal effect. On the House side we were about $1.145B general funds and with the 20 it is $1.164B.

Becky Keller, LC: We did want to bring to your attention too for whoever has to present it on the floors that the Senate did have those two sections where they were providing the appropriations to DHS in addition to the unfunded mandates. Those two sections got moved up into the division so you won't see those sections, Robinson Recovery and the operating.

Chairman Pollert: But in these amendments though, it's discussed.

Becky Keller, LC: Correct. If you look at page 6, right after the DHS at the top of the page and we have three lines of wording, the last one says funding added by the Senate in floor amendments relating to operating expenses and the Robinson Recovery Center are now reflected under the program and policy and field services subdivisions.

Chairman Pollert: Now we're going to instead of having a break out on all the human service centers, everything will go under one roof, right?

Becky Keller, LC: Yes, it will be field services division.

Rep. Bellew: I would move 02027.

Sen. Erbele: Second.

Chairman Pollert: Discussion?

Roll Call Vote: Yes: 6, No: 0, Absent: 0. Passed.

Chairman Pollert: Senate recedes and we further amend.

Chairman Pollert adjourned the conference committee.

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Title.06000
Fiscal No. 2

Prepared by the Legislative Council staff for
Conference Committee
April 30, 2013

VR
4/30/13
1 of 11

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

That the Senate recede from its amendments as printed on pages 1667-1677 of the House Journal and pages 1448-1458 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 2, remove "and personal needs"

Page 1, line 3, remove "allowances"

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-24, subsection 3 of section 14-09-09.10, and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers, child support payments, and"

Page 1, line 5, after the semicolon insert "to provide for a report to the legislative management; to provide for legislative management studies"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$25,247,062	$40,629,195
Operating expenses	62,229,003	8,668,982	70,897,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$33,789,644	$111,539,180
Less estimated income	46,573,712	13,024,040	59,597,752
Total general fund	$31,175,824	$20,765,604	$51,941,428"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,740,749	106,714,029
Grants	490,196,862	(36,122,732)	454,074,130
Grants - medical assistance	1,601,650,984	148,872,688	1,750,523,672
Total all funds	$2,234,028,731	$126,125,218	$2,360,153,949
Less estimated income	1,497,456,325	(70,714,334)	1,426,741,991
Total general fund	$736,572,406	$196,839,552	$933,411,958"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,469,662	$174,657,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$14,137,321	$300,557,794
Less estimated income	126,939,489	(4,554,629)	122,384,860
Total general fund	$159,480,984	$18,691,950	$178,172,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$237,540,188	$1,164,769,402
Grand total special funds	1,670,969,526	97,104,398	1,768,073,924

2 of 11

Grand total all funds	$2,598,198,740	$334,644,586	$2,932,843,326
Full-time equivalent positions	2,197.35	2.73	2,200.08"

Page 3, replace lines 15 and 16 with:

"State hospital capital projects	1,800,000	864,714
Grants	0	925,000"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,819,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,733,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters.

SECTION 8. AMENDMENT. Subsection 3 of section 14-09-09.10 of the North Dakota Century Code is amended and reenacted as follows:

3. "Child support" means payments for the support of ~~children~~a child, including payments for health insurance coverage or other medical support, and ~~combined~~ payments for the support of ~~children and~~ spouses or former spouses with whom the child is living as long as the spousal support payment is owed to the spouse or former spouse under the same order as the payments for the child, ~~however denominated,~~ if the payment is required by the order of a court or other governmental agency having authority to issue such orders, and includes past-due support."

Page 5, remove lines 22 through 29

Page 6, line 5, replace "$150,000" with "$300,000"

Page 6, line 8, replace "2011" with "2012"

Page 6, line 10, after the period insert "No more than fifty percent of this appropriation may be distributed in each fiscal year of the biennium."

Page 6, line 11, replace "**GRANTS**" with "**GRANT**"

Page 6, line 13, replace "grants" with "a grant"

Page 6, line 13, after "program" insert "affiliated with a winter park that is located in a county of less than 10,000 individuals"

Page 6, line 16, after "program" insert ". The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section"

Page 6, after line 23, insert:

"**SECTION 15. LEGISLATIVE MANAGEMENT STUDY - NORTH DAKOTA HEALTH CARE.** During the 2013-14 interim, the legislative management shall consider studying the immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining Medicaid reform, and the feasibility of developing a plan for a private health care model that will comply with federal health care reform in a manner that will provide high-quality, accessible, and affordable care for North Dakota citizens. In performing the study, the legislative management may consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations; determine the scope of the weakness in the current health care system; take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of Medicaid; and consider how to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 16. LEGISLATIVE MANAGEMENT STUDY OF THE NEED FOR A COMPREHENSIVE SYSTEM OF CARE FOR INDIVIDUALS WITH BRAIN INJURY. During the 2013-14 interim, the legislative management shall consider studying the need for a comprehensive system of care for individuals with brain injury, including services available to veterans who are returning from wars, the impact of the inclusion of all acquired brain injury on traumatic brain injury programs, the need for a statewide registry for brain injury, the need for increased awareness of the impact of brain injury, the need for screening for brain injury in the education system, the availability of community support systems, the availability of specialized substance abuse services, the examination of the long-term care needs, the availability of home and community-based services, services available from independent living centers, the need for transitional supportive housing, and the suitability of the current level of care determination for brain injury. Consideration should be given to input from the department of human services traumatic brain injury advisory committee and stakeholders from the private and public sectors, including individuals with brain injury, families impacted by brain injury, educators, treatment providers, and service providers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 17. REPORT TO LEGISLATIVE MANAGEMENT - TRANSITIONAL LIVING FACILITY. Subdivision 3 of section 1 of this Act includes funding of $547,000 from the general fund and $182,000 from other funds for an eight-unit transitional living facility in the southeast human service center region. The department of human services shall provide a report to the budget section in December 2014 on the status of the facility."

Page 6, after line 30, insert:

"**SECTION 19. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position.

SECTION 20. LEGISLATIVE INTENT - ELECTRONIC HEALTH RECORDS. Because the electronic health records system is needed for the state hospital to maintain accreditation, the reduction of the funding in the information technology division does not preclude the department of human services from procuring an electronic health records system if the department can initiate the project within its 2013-15 biennium appropriation for the information technology division or field services division.

SECTION 21. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,243,082, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $159,349,321, or so much of the sum as may be necessary, to the department of human services for the purpose of funding the following initiatives, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department of human services is authorized four full-time equivalent positions.

Expedited ratesetting process	$1,661,844
Recipient liability first claim	100,000
Supplemental nutrition assistance and temporary assistance for needy families program changes	500,304
Electronic prescriptions	299,324
Medical assistance program expansion	157,991,337
Committee on employment of people with disabilities	39,594
Total all funds	$160,592,403
Less estimated income	159,349,321
Total general fund appropriation	$1,243,082"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Human Services						
Total all funds	$0	$0	$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Less estimated income	0	0	159,349,321	159,349,321	160,449,321	(1,100,000)
General fund	$0	$0	$1,243,082	$1,243,082	$2,489,082	($1,246,000)
DHS - Management						
Total all funds	$124,062,199	$101,503,888	$10,035,292	$111,539,180	$114,806,865	($3,267,685)
Less estimated income	61,473,447	56,933,812	2,663,940	59,597,752	60,996,450	(1,398,698)
General fund	$62,588,752	$44,570,076	$7,371,352	$51,941,428	$53,810,415	($1,868,987)
DHS - Program/Policy						
Total all funds	$2,364,284,108	$2,345,457,354	$14,696,595	$2,360,153,949	$2,379,592,187	($19,438,238)
Less estimated income	1,429,648,423	1,421,403,389	5,338,602	1,426,741,991	1,435,980,554	(9,238,563)
General fund	$934,635,685	$924,053,965	$9,357,993	$933,411,958	$943,611,633	($10,199,675)
DHS - State Hospital						
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0	$0	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0	0	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0	$0	$0
DHS - Developmental Center						
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0	$0	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0	0	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0	$0	$0
DHS - Statewide HSC						

Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0	$0	$0
Less estimated income	1,075,139	675,139	(675,139)	0	0	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0	$0	$0
DHS - Northwest HSC						
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0	$0	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0	0	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0	$0	$0
DHS - North Central HSC						
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0	$0	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0	0	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0	$0	$0
DHS - Lake Region HSC						
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0	$0	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0	0	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0	$0	$0
DHS - Northeast HSC						
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0	$0	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0	0	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0	$0	$0
DHS - Southeast HSC						
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0	$0	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0	0	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0	$0	$0
DHS - South Central HSC						
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0	$0	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0	0	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0	$0	$0
DHS - West Central HSC						
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0	$0	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0	0	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0	$0	$0
DHS - Badlands HSC						
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0	$0	$0
Less estimated income	5,319,048	5,319,048	(5,319,048)	0	0	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0	$0	$0
DHS - Field Services						
Total all funds	$0	$0	$300,557,794	$300,557,794	$300,128,794	$429,000
Less estimated income	0	0	122,384,860	122,384,860	122,127,860	257,000
General fund	$0	$0	$178,172,934	$178,172,934	$178,000,934	$172,000
Department of Commerce						
Total all funds	$0	$0	$0	$0	$250,000	($250,000)
Less estimated income	0	0	0	0	150,000	(150,000)
General fund	$0	$0	$0	$0	$100,000	($100,000)
Bill total						
Total all funds	$2,790,519,257	$2,745,475,036	$187,368,290	$2,932,843,326	$2,957,716,249	($24,872,923)
Less estimated income	1,613,649,730	1,600,140,061	167,933,863	1,768,073,924	1,779,704,185	(11,630,261)
General fund	$1,176,869,527	$1,145,334,975	$19,434,427	$1,164,769,402	$1,178,012,064	($13,242,662)

House Bill No. 1012 - Department of Human Services - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Human Services			$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Total all funds	$0	$0	$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Less estimated Income	0	0	159,349,321	159,349,321	160,449,321	(1,100,000)
General fund	$0	$0	$1,243,082	$1,243,082	$2,489,082	($1,246,000)
	0.00	0.00	4.00	4.00	4.00	0.00

6 of 11

FTE	

Department No. 325 - Department of Human Services - Detail of Conference Committee Changes

	Adds Funding for Approved Initiatives[1]	Total Conference Committee Changes
Department of Human Services	$160,592,403	$160,592,403
Total all funds	$160,592,403	$160,592,403
Less estimated income	159,349,321	159,349,321
General fund	$1,243,082	$1,243,082
FTE	4.00	4.00

[1] Funding is added for six initiatives approved by the Legislative Assembly in other bills, the same as the Senate version. The department is authorized 4 FTE positions relating to this funding.

A section is added to provide an appropriation to the department for bills approved by the 63rd Legislative Assembly which have a fiscal impact but did not include appropriations, the same as the Senate version.

Funding added by the Senate in floor amendments relating to operating expenses and the Robinson Recovery Center are now reflected under the program and policy and field services subdivisions.

House Bill No. 1012 - DHS - Management - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$51,102,214	$34,293,903	$6,335,292	$40,629,195	$47,346,880	($6,717,685)
Operating expenses	72,743,825	67,197,985	3,700,000	70,897,985	67,447,985	3,450,000
Capital assets	216,160	12,000		12,000	12,000	
Total all funds	$124,062,199	$101,503,888	$10,035,292	$111,539,180	$114,806,865	($3,267,685)
Less estimated income	61,473,447	56,933,812	2,663,940	59,597,752	60,996,450	(1,398,698)
General fund	$62,588,752	$44,570,076	$7,371,352	$51,941,428	$53,810,415	($1,868,987)
FTE	148.10	147.10	0.00	147.10	147.10	0.00

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Conference Committee changes:				
Administration - Support				
Removes compensation adjustments made.by the House		$8,990,339	$4,062,638	$13,052,977
Adjusts state employee compensation and benefits package		(4,618,987)	($2,098,698)	($6,717,685)
Funding from the general fund removed by the House for central office operating expenses is partially restored. The House removed $750,000 from the general fund and the Senate version restored $1.45 million of which $750,000 was from the general fund.		$500,000	$700,000	$1,200,000
Information Technology Services				
Restores $2.5 million of the $5 million removed by the House for the field services electronic health records system replacement. The Senate version did not include funding for this project.		2,500,000		$2,500,000
Total Conference Committee changes - Management	0.00	$7,371,352	$2,663,940	$10,035,292

House Bill No. 1012 - DHS - Program/Policy - Conference Committee Action

	Executive Budget	House Version	Conference Committee	Conference Committee	Senate Version	Comparison to Senate

			Changes[1]	Version		
Salaries and wages	$48,842,118	$48,842,118		$48,842,118	$48,842,118	
Operating expenses	106,543,180	104,546,029	2,168,000	106,714,029	106,880,029	(166,000)
Grants	453,774,130	453,874,130	200,000	454,074,130	454,374,130	(300,000)
Grants - Medical assistance	1,755,124,680	1,738,195,077	12,328,595	1,750,523,672	1,769,495,910	(18,972,238)
Total all funds	$2,364,284,108	$2,345,457,354	$14,696,595	$2,360,153,949	$2,379,592,187	($19,438,238)
Less estimated income	1,429,648,423	1,421,403,389	5,338,602	1,426,741,991	1,435,980,554	(9,238,563)
General fund	$934,635,685	$924,053,965	$9,357,993	$933,411,958	$943,611,633	($10,199,675)
FTE	342.50	342.50	0.00	342.50	342.50	0.00

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Conference Committee changes:				
Economic Assistance Policy Program				
No changes, the same as the House and Senate versions.				
Child Support Program				
No changes, the same as the House and Senate versions.				
Medical Services Program				
Restores funding removed by the House for a contract with a vendor to conduct prescreening of potential providers. The Senate did not restore this funding.		120,000	120,000	240,000
Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations, the same as the Senate version.		42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential, the same as the Senate version.		78,040	21,960	100,000
Restores a portion of funding relating to caseload projections reduced by the House for transportation ($250,000) and CHIPS ($650,000), the same as the Senate version.		352,500	547,500	900,000
Long-Term Care Program				
Restores funding removed by the House for caseload projections for expanded SPED, the same as the Senate version.		145,000		145,000
Reduces funding for long-term care caseload projections for nursing homes and HCBS waiver. The House also reduced funding for nursing home caseloads by $7 million and HCBS waiver caseloads by $1 million. The Senate version restored $955,000 for nursing homes and $1 million for HCBS waiver.		(2,000,000)	(2,000,000)	(4,000,000)
Restores funding removed by the House for personal needs allowance for basic care ($193,725) and ICF/ID ($170,280), the same as the Senate version.		278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1 and decrease the inflationary increase from 4 percent each year of the biennium to 3 percent each year. The Senate version increased the passthrough from 50 cents to $1 and left the inflationary increase at 4 percent each year of the biennium.		8,222,603	6,346,987	14,569,590
Restores funding removed by the House for infant development caseload projections, the same as the Senate version. The House removed this funding as part of the DD caseload projection reduction.		175,000	175,000	350,000
Aging Services Program				
Restores a portion of funding removed by the House for guardianship services to provide $215,000 for petitioning costs and $383,000 for contract staff. The Senate version restored $1,000,000		598,000		598,000

Adds funding for senior meals. The House did not add funding for this purpose and the Senate version added $900,000.		750,000		750,000
Children and Family Services Program				
Adds one-time funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000, the same as the Senate version. The House added $150,000.		150,000		150,000
Mental Health and Substance Abuse Program				
Adds funding for additional services to be provided by Robinson Recovery Center, the same as the Senate version.		296,000		296,000
Developmental Disabilities Council				
No changes, the same as the House and Senate versions.				
Developmental Disabilities Division				
Adds funding for guardianship services for developmentally disabled individuals, the same as the Senate version.		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000, the same as the Senate version. The House added $50,000.		50,000		50,000
Total Conference Committee changes - Program and Policy	0.00	$9,357,993	$5,338,602	$14,696,595

Other changes affecting program and policy programs:

A section is added providing for a Legislative Management study of the comprehensive system of care for individuals with brain injury.

A section is added providing for a Legislative Management study of North Dakota health care.

A section is added to amend subsection 3 of Section 14-09-09.10 relating to child support.

A section is added to amend Section 12-60-24 relating to foster care licensure, the same as the Senate.

A section added by the House relating to personal needs allowance is removed, the same as the Senate version.

A section added by the House for grants to a jurisdiction adjacent to an Indian reservation that does not receive reimbursement payments under Section 50-01.2-03.2 is amended to increase the grant amount from $150,000 to $300,000.

A section is added providing legislative intent relating to the deputy director position, the same as the Senate.

A section is added providing legislative intent relating to an electronic health records system, the same as the Senate.

Sections added by the Senate relating to a health care consortium are not included.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	54,235,473	53,810,473	(53,810,473)			

DHS - Developmental Center	24,986,252	24,696,252	(24,696,252)			
DHS - Statewide HSC	4,994,616	4,394,616	(4,394,616)			
DHS - Northwest HSC	5,393,391	5,353,391	(5,353,391)			
DHS - North Central HSC	12,803,866	12,763,866	(12,763,866)			
DHS - Lake Region HSC	7,573,786	7,533,786	(7,533,786)			
DHS - Northeast HSC	13,744,433	13,704,433	(13,704,433)			
DHS - Southeast HSC	23,348,246	22,333,246	(22,333,246)			
DHS - South Central HSC	8,980,593	8,940,593	(8,940,593)			
DHS - West Central HSC	16,557,764	16,193,608	(16,193,608)			
DHS - Badlands HSC	7,026,670	6,986,670	(6,986,670)			
Total general fund	$179,645,090	$176,710,934	($176,710,934)			

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	19,254,163	19,254,163	(19,254,163)			
DHS - Developmental Center	28,064,218	28,064,218	(28,064,218)			
DHS - Statewide HSC	1,075,139	675,139	(675,139)			
DHS - Northwest HSC	3,564,800	3,564,800	(3,564,800)			
DHS - North Central HSC	9,185,305	9,185,305	(9,185,305)			
DHS - Lake Region HSC	5,162,347	5,162,347	(5,162,347)			
DHS - Northeast HSC	14,138,342	14,138,342	(14,138,342)			
DHS - Southeast HSC	15,682,226	15,357,226	(15,357,226)			
DHS - South Central HSC	7,813,290	7,813,290	(7,813,290)			
DHS - West Central HSC	13,268,982	13,268,982	(13,268,982)			
DHS - Badlands HSC	5,319,048	5,319,048	(5,319,048)			
Total other funds	$122,527,860	$121,802,860	($121,802,860)			

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	73,489,636	73,064,636	(73,064,636)			
DHS - Developmental Center	53,050,470	52,760,470	(52,760,470)			
DHS - Statewide HSC	6,069,755	5,069,755	(5,069,755)			
DHS - Northwest HSC	8,958,191	8,918,191	(8,918,191)			
DHS - North Central HSC	21,989,171	21,949,171	(21,949,171)			
DHS - Lake Region HSC	12,736,133	12,696,133	(12,696,133)			
DHS - Northeast HSC	27,882,775	27,842,775	(27,842,775)			
DHS - Southeast HSC	39,030,472	37,690,472	(37,690,472)			
DHS - South Central HSC	16,793,883	16,753,883	(16,753,883)			
DHS - West Central HSC	29,826,746	29,462,590	(29,462,590)			
DHS - Badlands HSC	12,345,718	12,305,718	(12,305,718)			
Total all funds	$302,172,950	$298,513,794	($298,513,794)			
FTE	1706.48	1706.48	(1706.48)	0.00	0.00	0.00

House Bill No. 1012 - DHS - Field Services - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Human service centers			$174,657,688	$174,657,688	$174,228,688	$429,000
Institutions			125,900,106	125,900,106	125,900,106	
Total all funds	$0	$0	$300,557,794	$300,557,794	$300,128,794	$429,000
Less estimated income	0	0	122,384,860	122,384,860	122,127,860	257,000
General fund	$0	$0	$178,172,934	$178,172,934	$178,000,934	$172,000
FTE	0.00	0.00	1706.48	1706.48	1706.48	0.00

Department No. 349 - DHS - Field Services - Detail of Conference Committee Changes

	Creates Field Services Subdivision[1]	Conference Committee Changes[2]	Total Conference Committee Changes
Human service centers	$172,688,688	$1,969,000	$174,657,688
Institutions	125,825,106	75,000	125,900,106
Total all funds	$298,513,794	$2,044,000	$300,557,794
Less estimated income	121,802,860	582,000	122,384,860
General fund	$176,710,934	$1,462,000	$178,172,934
FTE	1706.48	0.00	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the institutions line item and all of the human service centers are combined into one human service centers line item, the same as the Senate version.

FIELD SERVICES	FTE	General Fund	Estimated Income	Total
[2]Field Services - Proposed Conference Committee changes:				
State Hospital				
Restores funding removed by the House for water temperature controls for shower rooms in LaHaug building, the same as the Senate version.		$75,000		$75,000
Developmental Center				
No changes, the same as the Senate version.				
Statewide Human Service Centers				
Restores funding removed by the House for operating expenses at all human service centers, the same as the Senate version.		$600,000	$400,000	$1,000,000
Northwest Human Service Center				
No changes, the same as the Senate version.				
North Central Human Service Center				
No changes, the same as the Senate version.				
Lake Region Human Service Center				
No changes, the same as the Senate version.				
Northeast Human Service Center				
No changes, the same as the Senate version.				
Southeast Human Service Center				
Partially restores funding removed by the House for a 16-unit transitional living facility and provides for an 8-bed unit. The Senate version included funding of $1.3 million to restore funding for the 16-bed unit.		$547,000	$182,000	$729,000
South Central Human Service Center				
Adds funding for transitional employment grants, the same as the Senate version.		$240,000		$240,000
West Central Human Service Center				
No changes, the same as the Senate version.				
Badlands Human Service Center				
No changes, the same as the Senate version.				

Total Conference Committee changes - Field Services	0.00	$1,462,000	$582,000	$2,044,000

2013 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations, Human Resources

Bill/Resolution No. HB 1012 as (re) engrossed

Date: 04-30-13

Roll Call Vote #: 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

☐ 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

Motion Made by: Sen. Erbele Seconded by: Sen. Mathern

Representatives	4-29pm	4-30am		Yes	No		Senators	4-29pm	4-30am		Yes	No
Chairman Pollert	X	X		X			Sen. Kilzer	X	X		X	
Rep. Bellew	X	X		X			Sen. Erbele	X	X		X	
Rep. Holman	X	X		X			Sen. Mathern	X	X		X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Amendment to eliminate all exemptions for the $1 pass-through.

2013 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations, Human Resources

Bill/Resolution No. HB 1012 as (re) engrossed

Date: 04.30.13

Roll Call Vote #: 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☒ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1667 - 1677

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB 1012 was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Bellew Seconded by: Sen. Erbele

Representatives	4:30pm			Yes	No		Senators	4:30pm			Yes	No
Chairman Pollert	X			X			Sen. Kilzer	X			X	
Rep. Bellew	X			X			Sen. Erbele	X			X	
Rep. Holman	X			X			Sen. Mathern	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Rep. Pollert Senate Carrier Sen. Kilzer

LC Number _____ . 02027 of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1012, as engrossed: Your conference committee (Sens. Kilzer, Erbele, Mathern and Reps. Pollert, Bellew, Holman) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1667-1677, adopt amendments as follows, and place HB 1012 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1667-1677 of the House Journal and pages 1448-1458 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 2, remove "and personal needs"

Page 1, line 3, remove "allowances"

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-24, subsection 3 of section 14-09-09.10, and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers, child support payments, and"

Page 1, line 5, after the semicolon insert "to provide for a report to the legislative management; to provide for legislative management studies"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$25,247,062	$40,629,195
Operating expenses	62,229,003	8,668,982	70,897,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$33,789,644	$111,539,180
Less estimated income	46,573,712	13,024,040	59,597,752
Total general fund	$31,175,824	$20,765,604	$51,941,428"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,740,749	106,714,029
Grants	490,196,862	(36,122,732)	454,074,130
Grants - medical assistance	1,601,650,984	148,872,688	1,750,523,672
Total all funds	$2,234,028,731	$126,125,218	$2,360,153,949
Less estimated income	1,497,456,325	(70,714,334)	1,426,741,991
Total general fund	$736,572,406	$196,839,552	$933,411,958"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,469,662	$174,657,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$14,137,321	$300,557,794
Less estimated income	126,939,489	(4,554,629)	122,384,860
Total general fund	$159,480,984	$18,691,950	$178,172,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$237,540,188	$1,164,769,402
Grand total special funds	1,670,969,526	97,104,398	1,768,073,924
Grand total all funds	$2,598,198,740	$334,644,586	$2,932,843,326
Full-time equivalent positions	2,197.35	2.73	2,200.08"

Page 3, replace lines 15 and 16 with:

"State hospital capital projects	1,800,000	864,714
Grants	0	925,000"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,819,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,733,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters.

SECTION 8. AMENDMENT. Subsection 3 of section 14-09-09.10 of the North Dakota Century Code is amended and reenacted as follows:

3. "Child support" means payments for the support of ~~children~~a child, including payments for health insurance coverage or other medical support, and ~~combined~~ payments for the support of ~~children and~~ spouses or former spouses with whom the child is living as long as the spousal support payment is owed to the spouse or former spouse under the same order as the payments for the child, ~~however denominated,~~ if the payment is required by the order of a court or other governmental agency having authority to issue such orders, and includes past-due support."

Page 5, remove lines 22 through 29

Page 6, line 5, replace "$150,000" with "$300,000"

Page 6, line 8, replace "2011" with "2012"

Page 6, line 10, after the period insert "No more than fifty percent of this appropriation may be distributed in each fiscal year of the biennium."

Page 6, line 11, replace "**GRANTS**" with "**GRANT**"

Page 6, line 13, replace "grants" with "a grant"

Page 6, line 13, after "program" insert "affiliated with a winter park that is located in a county of less than 10,000 individuals"

Page 6, line 16, after "program" insert ". The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section"

Page 6, after line 23, insert:

"**SECTION 15. LEGISLATIVE MANAGEMENT STUDY - NORTH DAKOTA HEALTH CARE.** During the 2013-14 interim, the legislative management shall consider studying the immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining Medicaid reform, and the feasibility of developing a plan for a private health care

model that will comply with federal health care reform in a manner that will provide high-quality, accessible, and affordable care for North Dakota citizens. In performing the study, the legislative management may consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations; determine the scope of the weakness in the current health care system; take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of Medicaid; and consider how to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 16. LEGISLATIVE MANAGEMENT STUDY OF THE NEED FOR A COMPREHENSIVE SYSTEM OF CARE FOR INDIVIDUALS WITH BRAIN INJURY. During the 2013-14 interim, the legislative management shall consider studying the need for a comprehensive system of care for individuals with brain injury, including services available to veterans who are returning from wars, the impact of the inclusion of all acquired brain injury on traumatic brain injury programs, the need for a statewide registry for brain injury, the need for increased awareness of the impact of brain injury, the need for screening for brain injury in the education system, the availability of community support systems, the availability of specialized substance abuse services, the examination of the long-term care needs, the availability of home and community-based services, services available from independent living centers, the need for transitional supportive housing, and the suitability of the current level of care determination for brain injury. Consideration should be given to input from the department of human services traumatic brain injury advisory committee and stakeholders from the private and public sectors, including individuals with brain injury, families impacted by brain injury, educators, treatment providers, and service providers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 17. REPORT TO LEGISLATIVE MANAGEMENT - TRANSITIONAL LIVING FACILITY. Subdivision 3 of section 1 of this Act includes funding of $547,000 from the general fund and $182,000 from other funds for an eight-unit transitional living facility in the southeast human service center region. The department of human services shall provide a report to the budget section in December 2014 on the status of the facility."

Page 6, after line 30, insert:

"**SECTION 19. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position.

SECTION 20. LEGISLATIVE INTENT - ELECTRONIC HEALTH RECORDS. Because the electronic health records system is needed for the state hospital to maintain accreditation, the reduction of the funding in the information technology division does not preclude the department of human services from procuring an electronic health records system if the department can initiate the project within its 2013-15 biennium appropriation for the information technology division or field services division.

SECTION 21. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,243,082, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $159,349,321, or so much of the sum as may be necessary, to the department of human services for the

purpose of funding the following initiatives, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department of human services is authorized four full-time equivalent positions.

Expedited ratesetting process	$1,661,844
Recipient liability first claim	100,000
Supplemental nutrition assistance and temporary assistance for needy families program changes	500,304
Electronic prescriptions	299,324
Medical assistance program expansion	157,991,337
Committee on employment of people with disabilities	39,594
Total all funds	$160,592,403
Less estimated income	159,349,321
Total general fund appropriation	$1,243,082"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Human Services						
Total all funds	$0	$0	$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Less estimated income	0	0	159,349,321	159,349,321	160,449,321	(1,100,000)
General fund	$0	$0	$1,243,082	$1,243,082	$2,489,082	($1,246,000)
DHS - Management						
Total all funds	$124,062,199	$101,503,888	$10,035,292	$111,539,180	$114,806,865	($3,267,685)
Less estimated income	61,473,447	56,933,812	2,663,940	59,597,752	60,996,450	(1,398,698)
General fund	$62,588,752	$44,570,076	$7,371,352	$51,941,428	$53,810,415	($1,868,987)
DHS - Program/Policy						
Total all funds	$2,364,284,108	$2,345,457,354	$14,696,595	$2,360,153,949	$2,379,592,187	($19,438,238)
Less estimated income	1,429,648,423	1,421,403,389	5,338,602	1,426,741,991	1,435,980,554	(9,238,563)
General fund	$934,635,685	$924,053,965	$9,357,993	$933,411,958	$943,611,633	($10,199,675)
DHS - State Hospital						
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0	$0	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0	0	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0	$0	$0
DHS - Developmental Center						
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0	$0	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0	0	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0	$0	$0
DHS - Statewide HSC						
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0	$0	$0
Less estimated income	1,075,139	675,139	(675,139)	0	0	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0	$0	$0
DHS - Northwest HSC						
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0	$0	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0	0	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0	$0	$0
DHS - North Central HSC						
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0	$0	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0	0	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0	$0	$0
DHS - Lake Region HSC						
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0	$0	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0	0	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0	$0	$0
DHS - Northeast HSC						
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0	$0	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0	0	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0	$0	$0

DHS - Southeast HSC						
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0	$0	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0	0	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0	$0	$0
DHS - South Central HSC						
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0	$0	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0	0	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0	$0	$0
DHS - West Central HSC						
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0	$0	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0	0	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0	$0	$0
DHS - Badlands HSC						
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0	$0	$0
Less estimated income	5,319,048	5,319,048	(5,319,048)	0	0	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0	$0	$0
DHS - Field Services						
Total all funds	$0	$0	$300,557,794	$300,557,794	$300,128,794	$429,000
Less estimated income	0	0	122,384,860	122,384,860	122,127,860	257,000
General fund	$0	$0	$178,172,934	$178,172,934	$178,000,934	$172,000
Department of Commerce						
Total all funds	$0	$0	$0	$0	$250,000	($250,000)
Less estimated income	0	0	0	0	150,000	(150,000)
General fund	$0	$0	$0	$0	$100,000	($100,000)
Bill total						
Total all funds	$2,790,519,257	$2,745,475,036	$187,368,290	$2,932,843,326	$2,957,716,249	($24,872,923)
Less estimated income	1,613,649,730	1,600,140,061	167,933,863	1,768,073,924	1,779,704,185	(11,630,261)
General fund	$1,176,869,527	$1,145,334,975	$19,434,427	$1,164,769,402	$1,178,012,064	($13,242,662)

House Bill No. 1012 - Department of Human Services - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Human Services			$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Total all funds	$0	$0	$160,592,403	$160,592,403	$162,938,403	($2,346,000)
Less estimated income	0	0	159,349,321	159,349,321	160,449,321	(1,100,000)
General fund	$0	$0	$1,243,082	$1,243,082	$2,489,082	($1,246,000)
FTE	0.00	0.00	4.00	4.00	4.00	0.00

Department No. 325 - Department of Human Services - Detail of Conference Committee Changes

	Adds Funding for Approved Initiatives[1]	Total Conference Committee Changes
Department of Human Services	$160,592,403	$160,592,403
Total all funds	$160,592,403	$160,592,403
Less estimated income	159,349,321	159,349,321
General fund	$1,243,082	$1,243,082
FTE	4.00	4.00

[1] Funding is added for six initiatives approved by the Legislative Assembly in other bills, the same as the Senate version. The department is authorized 4 FTE positions relating to this funding.

A section is added to provide an appropriation to the department for bills approved by the 63rd Legislative Assembly which have a fiscal impact but did not include appropriations, the same as the Senate version.

Funding added by the Senate in floor amendments relating to operating expenses and the Robinson Recovery Center are now reflected under the program and policy and field services subdivisions.

House Bill No. 1012 - DHS - Management - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$51,102,214	$34,293,903	$6,335,292	$40,629,195	$47,346,880	($6,717,685)
Operating expenses	72,743,825	67,197,985	3,700,000	70,897,985	67,447,985	3,450,000
Capital assets	216,160	12,000		12,000	12,000	
Total all funds	$124,062,199	$101,503,888	$10,035,292	$111,539,180	$114,806,865	($3,267,685)
Less estimated income	61,473,447	56,933,812	2,663,940	59,597,752	60,996,450	(1,398,698)
General fund	$62,588,752	$44,570,076	$7,371,352	$51,941,428	$53,810,415	($1,868,987)
FTE	148.10	147.10	0.00	147.10	147.10	0.00

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Conference Committee changes:				
Administration - Support				
Removes compensation adjustments made by the House		$8,990,339	$4,062,638	$13,052,977
Adjusts state employee compensation and benefits package		(4,618,987)	($2,098,698)	($6,717,685)
Funding from the general fund removed by the House for central office operating expenses is partially restored. The House removed $750,000 from the general fund and the Senate version restored $1.45 million of which $750,000 was from the general fund.		$500,000	$700,000	$1,200,000
Information Technology Services				
Restores $2.5 million of the $5 million removed by the House for the field services electronic health records system replacement. The Senate version did not include funding for this project.		2,500,000		$2,500,000
Total Conference Committee changes - Management	0.00	$7,371,352	$2,663,940	$10,035,292

House Bill No. 1012 - DHS - Program/Policy - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$48,842,118	$48,842,118		$48,842,118	$48,842,118	
Operating expenses	106,543,180	104,546,029	2,168,000	106,714,029	106,880,029	(166,000)
Grants	453,774,130	453,874,130	200,000	454,074,130	454,374,130	(300,000)
Grants - Medical assistance	1,755,124,680	1,738,195,077	12,328,595	1,750,523,672	1,769,495,910	(18,972,238)
Total all funds	$2,364,284,108	$2,345,457,354	$14,696,595	$2,360,153,949	$2,379,592,187	($19,438,238)
Less estimated income	1,429,648,423	1,421,403,389	5,338,602	1,426,741,991	1,435,980,554	(9,238,563)
General fund	$934,635,685	$924,053,965	$9,357,993	$933,411,958	$943,611,633	($10,199,675)
FTE	342.50	342.50	0.00	342.50	342.50	0.00

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Conference Committee changes:				

Economic Assistance Policy Program			
No changes, the same as the House and Senate versions.			
Child Support Program			
No changes, the same as the House and Senate versions.			
Medical Services Program			
Restores funding removed by the House for a contract with a vendor to conduct prescreening of potential providers. The Senate did not restore this funding.	120,000	120,000	240,000
Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations, the same as the Senate version.	42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential, the same as the Senate version.	78,040	21,960	100,000
Restores a portion of funding relating to caseload projections reduced by the House for transportation ($250,000) and CHIPS ($650,000), the same as the Senate version.	352,500	547,500	900,000
Long-Term Care Program			
Restores funding removed by the House for caseload projections for expanded SPED, the same as the Senate version.	145,000		145,000
Reduces funding for long-term care caseload projections for nursing homes and HCBS waiver. The House also reduced funding for nursing home caseloads by $7 million and HCBS waiver caseloads by $1 million. The Senate version restored $955,000 for nursing homes and $1 million for HCBS waiver.	(2,000,000)	(2,000,000)	(4,000,000)
Restores funding removed by the House for personal needs allowance for basic care ($193,725) and ICF/ID ($170,280), the same as the Senate version.	278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1 and decrease the inflationary increase from 4 percent each year of the biennium to 3 percent each year. The Senate version increased the passthrough from 50 cents to $1 and left the inflationary increase at 4 percent each year of the biennium.	8,222,603	6,346,987	14,569,590
Restores funding removed by the House for infant development caseload projections, the same as the Senate version. The House removed this funding as part of the DD caseload projection reduction.	175,000	175,000	350,000
Aging Services Program			
Restores a portion of funding removed by the House for guardianship services to provide $215,000 for petitioning costs and $383,000 for contract staff. The Senate version restored $1,000,000.	598,000		598,000
Adds funding for senior meals. The House did not add funding for this purpose and the Senate version added $900,000.	750,000		750,000
Children and Family Services Program			
Adds one-time funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000, the same as the Senate version. The House added $150,000.	150,000		150,000
Mental Health and Substance Abuse Program			
Adds funding for additional services to be provided by Robinson Recovery Center, the same as the Senate version.	296,000		296,000

Developmental Disabilities Council				
No changes, the same as the House and Senate versions.				
Developmental Disabilities Division				
Adds funding for guardianship services for developmentally disabled individuals, the same as the Senate version.		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000, the same as the Senate version. The House added $50,000.		50,000		50,000
Total Conference Committee changes - Program and Policy	0.00	$9,357,993	$5,338,602	$14,696,595

Other changes affecting program and policy programs:

A section is added providing for a Legislative Management study of the comprehensive system of care for individuals with brain injury.

A section is added providing for a Legislative Management study of North Dakota health care.

A section is added to amend subsection 3 of Section 14-09-09.10 relating to child support.

A section is added to amend Section 12-60-24 relating to foster care licensure, the same as the Senate.

A section added by the House relating to personal needs allowance is removed, the same as the Senate version.

A section added by the House for grants to a jurisdiction adjacent to an Indian reservation that does not receive reimbursement payments under Section 50-01.2-03.2 is amended to increase the grant amount from $150,000 to $300,000.

A section is added providing legislative intent relating to the deputy director position, the same as the Senate.

A section is added providing legislative intent relating to an electronic health records system, the same as the Senate.

Sections added by the Senate relating to a health care consortium are not included.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	54,235,473	53,810,473	(53,810,473)			
DHS - Developmental Center	24,986,252	24,696,252	(24,696,252)			
DHS - Statewide HSC	4,994,616	4,394,616	(4,394,616)			
DHS - Northwest HSC	5,393,391	5,353,391	(5,353,391)			
DHS - North Central HSC	12,803,866	12,763,866	(12,763,866)			
DHS - Lake Region HSC	7,573,786	7,533,786	(7,533,786)			
DHS - Northeast HSC	13,744,433	13,704,433	(13,704,433)			
DHS - Southeast HSC	23,348,246	22,333,246	(22,333,246)			
DHS - South Central HSC	8,980,593	8,940,593	(8,940,593)			
DHS - West Central HSC	16,557,764	16,193,608	(16,193,608)			
DHS - Badlands HSC	7,026,670	6,986,670	(6,986,670)			
Total general fund	$179,645,090	$176,710,934	($176,710,934)			

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	19,254,163	19,254,163	(19,254,163)			
DHS - Developmental Center	28,064,218	28,064,218	(28,064,218)			
DHS - Statewide HSC	1,075,139	675,139	(675,139)			
DHS - Northwest HSC	3,564,800	3,564,800	(3,564,800)			
DHS - North Central HSC	9,185,305	9,185,305	(9,185,305)			
DHS - Lake Region HSC	5,162,347	5,162,347	(5,162,347)			
DHS - Northeast HSC	14,138,342	14,138,342	(14,138,342)			
DHS - Southeast HSC	15,682,226	15,357,226	(15,357,226)			
DHS - South Central HSC	7,813,290	7,813,290	(7,813,290)			
DHS - West Central HSC	13,268,982	13,268,982	(13,268,982)			
DHS - Badlands HSC	5,319,048	5,319,048	(5,319,048)			
Total other funds	$122,527,860	$121,802,860	($121,802,860)			

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Version	Conference Committee Changes[1]	Conference Committee Version	Senate Version	Comparison to Senate
DHS - State Hospital	73,489,636	73,064,636	(73,064,636)			
DHS - Developmental Center	53,050,470	52,760,470	(52,760,470)			
DHS - Statewide HSC	6,069,755	5,069,755	(5,069,755)			
DHS - Northwest HSC	8,958,191	8,918,191	(8,918,191)			
DHS - North Central HSC	21,989,171	21,949,171	(21,949,171)			
DHS - Lake Region HSC	12,736,133	12,696,133	(12,696,133)			
DHS - Northeast HSC	27,882,775	27,842,775	(27,842,775)			
DHS - Southeast HSC	39,030,472	37,690,472	(37,690,472)			
DHS - South Central HSC	16,793,883	16,753,883	(16,753,883)			
DHS - West Central HSC	29,826,746	29,462,590	(29,462,590)			
DHS - Badlands HSC	12,345,718	12,305,718	(12,305,718)			
Total all funds	$302,172,950	$298,513,794	($298,513,794)			
FTE	1706.48	1706.48	(1706.48)	0.00	0.00	0.00

House Bill No. 1012 - DHS - Field Services - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Human service centers			$174,657,688	$174,657,688	$174,228,688	$429,000
Institutions			125,900,106	125,900,106	125,900,106	
Total all funds	$0	$0	$300,557,794	$300,557,794	$300,128,794	$429,000
Less estimated income	0	0	122,384,860	122,384,860	122,127,860	257,000
General fund	$0	$0	$178,172,934	$178,172,934	$178,000,934	$172,000
FTE	0.00	0.00	1706.48	1706.48	1706.48	0.00

Department No. 349 - DHS - Field Services - Detail of Conference Committee Changes

	Creates Field Services Subdivision[1]	Conference Committee Changes[2]	Total Conference Committee Changes
Human service centers	$172,688,688	$1,969,000	$174,657,688
Institutions	125,825,106	75,000	125,900,106
Total all funds	$298,513,794	$2,044,000	$300,557,794
Less estimated income	121,802,860	582,000	122,384,860
General fund	$176,710,934	$1,462,000	$178,172,934
FTE	1706.48	0.00	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the

institutions line item and all of the human service centers are combined into one human service centers line item, the same as the Senate version.

FIELD SERVICES	FTE	General Fund	Estimated Income	Total
[2]Field Services - Proposed Conference Committee changes:				
State Hospital				
Restores funding removed by the House for water temperature controls for shower rooms in LaHaug building, the same as the Senate version.		$75,000		$75,000
Developmental Center				
No changes, the same as the Senate version.				
Statewide Human Service Centers				
Restores funding removed by the House for operating expenses at all human service centers, the same as the Senate version.		$600,000	$400,000	$1,000,000
Northwest Human Service Center				
No changes, the same as the Senate version.				
North Central Human Service Center				
No changes, the same as the Senate version.				
Lake Region Human Service Center				
No changes, the same as the Senate version.				
Northeast Human Service Center				
No changes, the same as the Senate version.				
Southeast Human Service Center				
Partially restores funding removed by the House for a 16-unit transitional living facility and provides for an 8-bed unit. The Senate version included funding of $1.3 million to restore funding for the 16-bed unit.		$547,000	$182,000	$729,000
South Central Human Service Center				
Adds funding for transitional employment grants, the same as the Senate version.		$240,000		$240,000
West Central Human Service Center				
No changes, the same as the Senate version.				
Badlands Human Service Center				
No changes, the same as the Senate version.				
Total Conference Committee changes - Field Services	0.00	$1,462,000	$582,000	$2,044,000

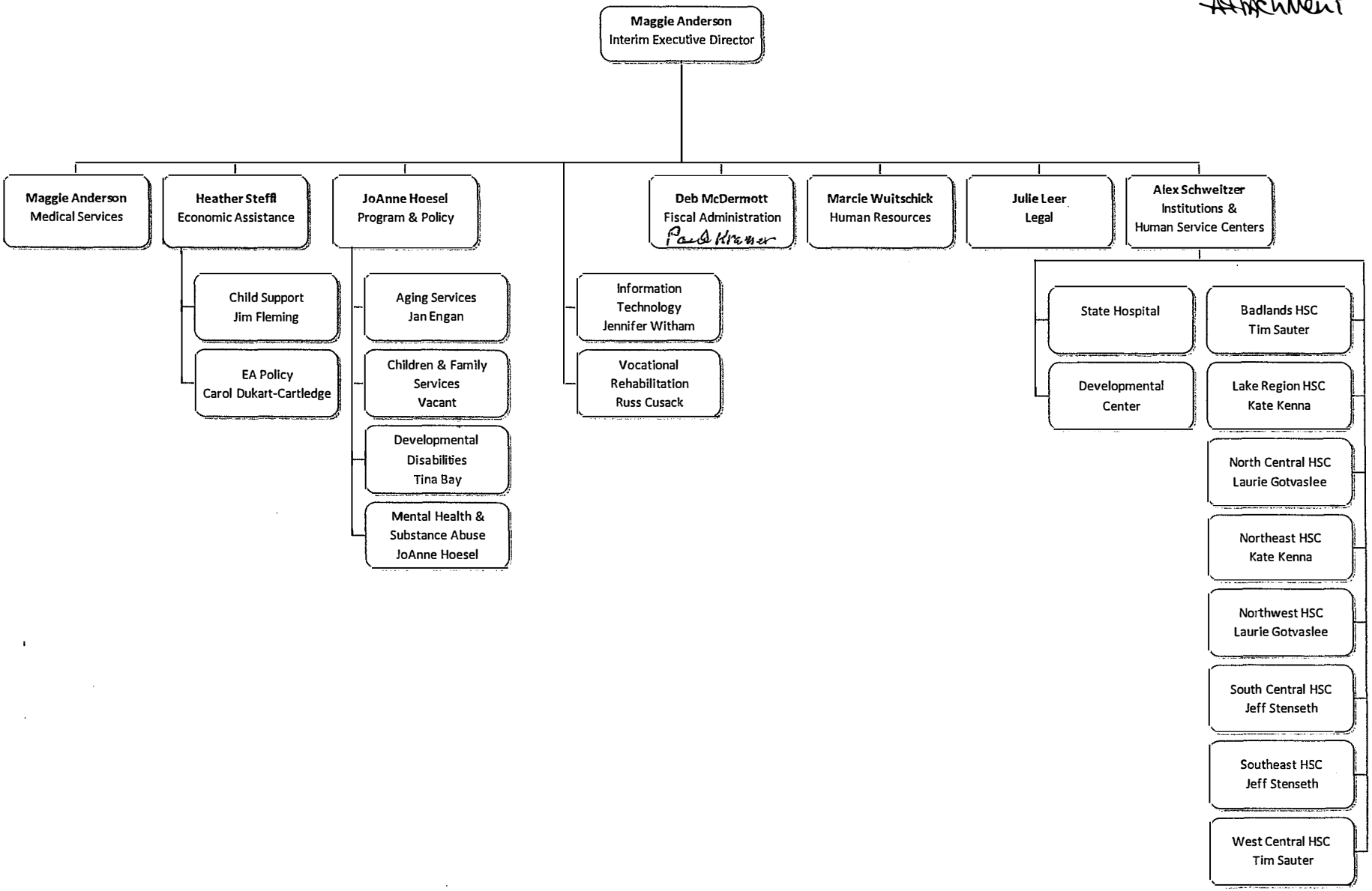
Engrossed HB 1012 was placed on the Seventh order of business on the calendar.

2013 TESTIMONY

HB 1012

HB 1012
1/11/2013
Attachment #1

North Dakota Depa ent of Human Services



Revised 1/4/13

HB 1012
1/11/2013
Attachment #2

Testimony
House Bill 1012 – Department of Human Services
House Appropriations - Human Resources Division
Representative Pollert, Chairman
January 11, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Maggie Anderson, Interim Executive Director for the Department of Human Services. I am here today to provide an overview of the Department's 2013–2015 Executive Budget request included in House Bill 1012. I will begin with a review of House Bill 1012.

Before I provide a high-level review of the budget, I would like to touch on two items, Medicaid Management Information System (MMIS) and the Affordable Care Act (ACA).

Medicaid Management Information System (MMIS)

As many of you know, the implementation of the Medicaid Management Information System (MMIS) has been delayed several times. The delays have been the result of the vendor (XEROX) having difficulties with developing and testing the system code. The current scheduled implementation date for the full MMIS is October 1, 2013.

While the Department recognizes that some are concerned about the viability of the system ever coming to fruition, at this time, the Department believes the best course of action is to move forward. Our position is based on the following reasons:

- New Hampshire is scheduled to go live with the **full MMIS** application in April 2013 (New Hampshire will be the first state to implement the XEROX Enterprise MMIS.)

- North Dakota is scheduled to go live with the Provider Enrollment application in April 2013.
- **Medicaid providers have been waiting for this system** for several years. They, like us, have been waiting for the business process improvements that will be realized with a new system. We rely on the Medicaid providers to care for the Medicaid population and we risk losing providers should this effort cease and re-start.
- During the life of the current effort – **the state (DHS and ITD) has lost subject matter and systems experts**; we would certainly lose more with a secondary effort. This would significantly impact the quality of design and functionality of a system secured through a secondary effort.
- Initiating a new project – starting with writing a Request for Proposal - would have resource implications for DHS and ITD and disrupt the ability to concentrate on existing projects and priorities.
- CMS has been kept informed about all past schedule delays and they are updated regularly on the status of the MMIS project.
    - CMS has supported the state moving forward with the current effort and vendor.
    - If we terminate this contract, **CMS will hold the state responsible** for the federal share of expenditures.
    - CMS would not authorize the State to proceed with another replacement project until the federal share is repaid.

Affordable Care Act

While the Affordable Care Act (ACA) contains many provisions with various implications in the Department, the provision that has the greatest potential to impact Department programs and services is the Medicaid expansion. As I mentioned as I walked through the bill, Section 3 contains language that authorizes the Department to implement the Medicaid Expansion, per the provisions of the ACA. As enacted, the ACA

required states to expand their Medicaid programs. The Supreme Court ruling in June 2012 struck down the mandate; leaving the decision to each state. When I provide the detail testimony for the Medical Services Division, I will have additional information regarding the estimated coverage as well as the estimated cost for the expanded coverage.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	66,765,546	99,944,332	33,178,786
Operating	198,638,581	179,287,005	(19,351,576)
Capital Assets	138,400	216,160	77,760
Capital Construction Carryover IT	21,291,536		(21,291,536)
Capital Construction Carryover SH	62,601		(62,601)
Grants	486,292,857	453,774,130	(32,518,727)
HSCs and Institutions	287,138,184	302,172,950	15,034,766
Grants-Medical Assistance	1,608,193,844	1,755,124,680	146,930,836
Total	2,668,521,549	2,790,519,257	121,997,708
General Fund	942,035,307	1,176,869,527	234,834,220
Federal Funds	1,612,444,686	1,488,818,284	(123,626,402)
Other Funds	114,041,556	124,831,446	10,789,890
Total	2,668,521,549	2,790,519,257	121,997,708

FTE	2,197.35	2,197.08	(0.27)

Major Budget Changes - Current Budget to Executive Budget
General Fund Only - Increase of $234.8 million

$93.3 million – increase in state funds is a result of the decrease in the Federal Medical Assistance Percentage (FMAP). The FMAP is based on the three year average of North Dakota's per capita personal income as

compared to the three year average of the national per capita personal income. The FMAP rates used for preparation of the 2013-2015 biennium are as follows:

- FFY 2013 (July 2013 – September 2013) 52.27% Final
- FFY 2014 50.00% Final
- FFY 2015 50.00% Estimated

The areas affected by FMAP are:

Traditional Medical Grants	$30.7
Long Term Care Grants (non-DD)	30.4
Developmental Disability (DD) Grants	24.7
Foster Care and Adoption Grants	1.9
Institutions	3.0
Human Service Centers	2.6
Total	$93.3

$55.8 million – 4% inflationary increase extended to providers each year of the biennium ($40.9 million); and a $0.50 per hour wage pass-through to staff of nursing homes, basic care and developmentally disabled service providers and a $.50 per hour fee increase for qualified service providers ($14.9 million).

$47.4 million – net cost increase in the grant programs of the Department including traditional Medical grants, nursing facilities, developmental disability grants, home and community based services, child welfare grants, and Indian County allocation payments to counties. Changes are the result of several factors such as rate setting rules, federal or state mandates, continuation of the year two 3% inflationary increase, increases in the personal needs allowances, along with costs that cannot be controlled by the Department (drug prices, Medicare premiums and Healthy Steps premiums.)

$30.1 million – increase ($21.6 million) attributed to the Governor's salary and benefit package, the continuation of the seven FTE authorized during the 2011 special Legislative session and the cost to continue this biennium's year two salary increase ($5.2 million) for just under 2,200 employees; and ($3.3 million) for an oil patch add-on for staff of the Williston, Minot, and Dickinson regions due to the increases in housing and cost of living.

$8.0 million – increased information technology costs related to utilization of services from the Information Technology Department, along with anticipated vendor contracts for MMIS maintenance and support ($2.8 million); replacement of the Advanced Institutional Reimbursement Software and Regional Office Automation Project software systems at the State Hospital and Human Service Centers and to implement Electronic Health Records ($5.0 million); and an analysis of migrating the remaining Department systems from the mainframe to a new application or operating environment ($.2 million).

$4.1 million – increase funding in the regions to provide additional bed capacity for the transitional living program, short term crisis stabilization and long term residential program for individuals with mental illness (MI) and/or chemical dependency issues ($2.1 million); provide funding to meet client demand for services such as the partnership program, DD program management, and MI adult case management ($.8 million); and rent increases along with the continuation of the year two 3% inflationary increase for providers and the long term residential facility in Fargo for a full 24 months vs. the 18 months included in the 2011-2013 budget ($1.2 million).

$3.2 million – increase in the Medicare Part D clawback payment as a result of increased per month payments and increased dual eligibles – those eligible for both Medicare and Medicaid.

$2.8 million – to fund extraordinary repairs ($1.5 million); capital improvements at the State Hospital for street reconstruction ($.9 million); and the demolition of two buildings at the Developmental Center ($.4 million).

$2.8 million – increase in funding for home and community-based services to provide home delivered meals 7 days a week to SPED & ExSPED clients under 60 years of age; to add extended personal care services to the SPED program, to allow qualified service providers to administer medications and perform other medical tasks; to allow individuals with a primary diagnosis of dementia or traumatic brain injury (TBI) to receive 24-hour supervision within the daily rate ($.3 million); to provide increased funding for congregate meals ($.8 million); and to provide a mileage differential to qualified service providers for round trips in excess of 20 miles ($1.7 million).

$2.3 million –increase in funding for other capacity issues, enhancements and provider requests included in the Executive Budget to:

- Provide services for 14 additional referrals for the Community Based Sex Offender High Risk Treatment Program ($ .3 million);
- Provide post adoption services to families to maintain placements and permanence ($.1 million);
- Enhance the Peer Support program which is a key component in client recovery efforts ($.3 million);
- Support the current Healthy Families Program service areas ($.3 million);

- Support state-wide 2-1-1 services ($.2 million);
- Support facilitators in each quadrant of the state to act as a resource to patients of traumatic brain injury, in order to increase the chances of full recovery ($.3 million); and
- Support services provided by the Centers of Independent Living ($.8 million)

$1.3 million – increase for continuation of the cost based reimbursement to critical access hospitals for outpatient laboratory and care provided by certified registered nurse anesthetists ($.6 million), and to rebase the rural health clinics to Medicare rates ($.7 million).

$1.2 million – increase in guardianship services to meet the demand for developmental disability corporate guardianships and to expand the aging services guardianships.

($3.8 million) – net decrease in caseload/utilization, with the largest changes consisting of an increase of $11.3 million in the developmental disability grants followed by decreases in traditional medical assistance grants of $11.0 million and nursing facility utilization of $6.2 million.

($16.2) million – decrease in one-time funding for the following: extraordinary repairs, equipment over $5,000 and one time capital projects ($3.3 million); the MMIS project and the Medicaid system modifications needed to process medical claims for inmates of county jails ($2.5 million); the Eligibility Modernization Project ($8.7 million); cost-based reimbursement for critical access hospitals ($1.5 million); and the guardianship and internship programs ($.2 million).

The remaining **$2.5 million** or 1% of the general fund increase is tied to miscellaneous net increases throughout the Department, which will be addressed by each division as they present their overview testimony.

Attachment A is a one page presentation of our $2.8 billion budget.

Attachment B provides a detailed breakdown of the medical assistance grants by major service.

Attachment C is a breakdown of "Where the Money Goes" in the Executive Budget. 63% of the budget is medical assistance grants which is the portion that is similar to insurance coverage; 10% of the budget is for the delivery of healthcare via the institutions and human service centers; and 20% is for direct client services. The remaining 7% is for the Department's administrative costs.

Attachment D is a breakdown of the Long Term Care services in the Executive Budget.

Attachment E is a list of the Department's Optional Adjustment Requests (OARs) submitted to OMB.

Attachment F provides a detailed description of the Department's OARs.

This concludes my overview testimony and I would be happy to address your questions.

Attachement A

Department of Human Services * Summary by Divisions with Class Items and Major Funding Sources * 2013 - 2015 Budget

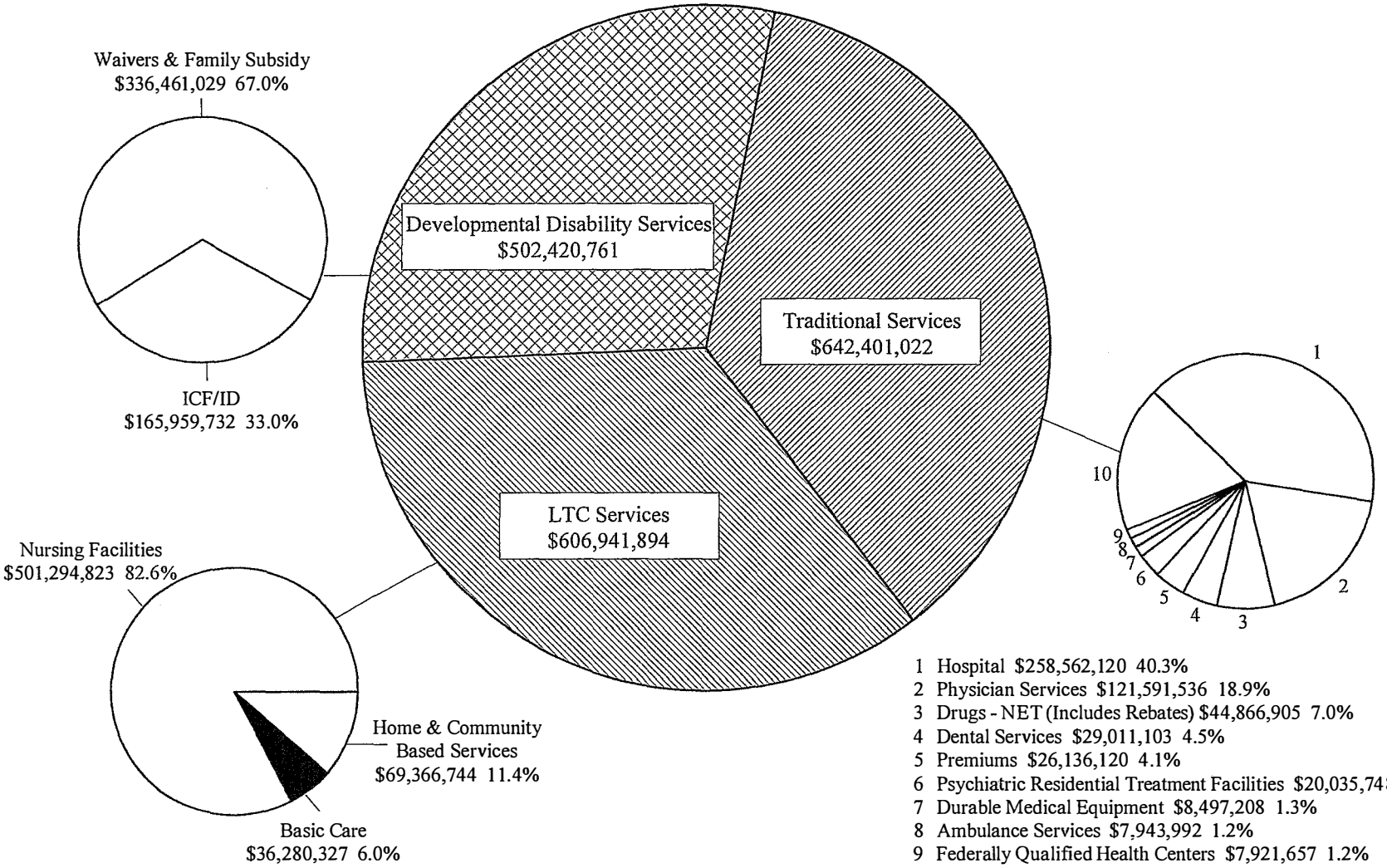
As of: December 7, 2012

Column Summarized: To the House (CHM1)

Subdivision	FTEs (Full Time Equivalents) 32501	Salaries and Wages 32510	Operating Expenses 32530	Capital Assets 32550	Grants 32560	HSCs and Institutions 32570	Grants-Medical Assistance 32573	Total 32590	General 32591	Federal 32592	Other 32593	Retained 32594	County 32595
100-15 ADMINISTRATION - SUPPORT	66.60	$38,657,863	$6,426,513					$45,084,376	$28,448,672	$16,635,704			
100-20 INFORMATION TECHNOLOGY SRVCS	81.50	$12,444,351	$66,317,312	$216,160				$78,977,823	$34,140,080	$42,222,799	$568,000	$396,241	$1,650,703
100 MANAGEMENT Total	**148.10**	**$51,102,214**	**$72,743,825**	**$216,160**				**$124,062,199**	**$62,588,752**	**$58,858,503**	**$568,000**	**$396,241**	**$1,650,703**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	30.80	$4,843,142	$11,185,059		$290,894,499			$306,922,700	$8,239,253	$277,733,467	$3,722,489	$16,889,985	$337,506
300-02 CHILD SUPPORT ENFORCEMENT	165.20	$21,588,397	$4,426,180					$26,014,577	$7,237,806	$15,692,111	$3,084,660		
300-03 MEDICAL SERVICES	56.50	$8,593,529	$39,099,835				$645,463,150	$693,156,514	$292,166,123	$359,155,407	$18,921,515	$21,261,408	$1,652,061
300-10 LONG TERM CARE							$1,109,661,530	$1,109,661,530	$561,778,121	$544,776,383	$96,000	$2,284,362	$726,664
300-42 DD COUNCIL	1.00	$167,444	$43,063		$700,000			$910,507		$910,507			
300-43 AGING SERVICES	11.00	$1,655,296	$14,993,825		$2,873,446			$19,522,567	$6,687,109	$12,555,458	$280,000		
300-46 CHILDREN AND FAMILY SERVICES	17.00	$2,655,868	$6,704,376		$139,046,013			$148,406,257	$40,289,617	$85,393,250	$5,315,567	$159,650	$17,248,173
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	17.00	$2,655,235	$18,943,515		$1,613,440			$23,212,190	$7,872,760	$14,768,570	$400,000		$170,860
300-51 VOC REHAB	34.00	$5,113,253	$1,967,791		$18,404,405			$25,485,449	$5,462,185	$19,938,264	$85,000		
300-52 DEVELOPMENTAL DISABILITIES DIVISION	10.00	$1,569,954	$9,179,536		$242,327			$10,991,817	$4,902,711	$6,089,106			
300 PROGRAM AND POLICY Total	**342.50**	**$48,842,118**	**$106,543,180**		**$453,774,130**		**$1,755,124,680**	**$2,364,284,108**	**$934,635,685**	**$1,337,012,523**	**$31,905,231**	**$40,595,405**	**$20,135,264**
410-70 STATE-WIDE HSC MANAGEMENT	13.00					$6,069,755		$6,069,755	$4,994,616	$1,075,139			
410-71 NORTHWEST HSC	43.75					$8,958,191		$8,958,191	$5,393,391	$2,966,763	$598,037		
410-72 NORTH CENTRAL HSC	120.78					$21,989,171		$21,989,171	$12,803,866	$8,062,838	$972,467		$150,000
410-73 LAKE REGION HSC	61.00					$12,736,133		$12,736,133	$7,573,786	$4,581,692	$580,655		
410-74 NORTHEAST HSC	138.50					$27,882,775		$27,882,775	$13,744,433	$12,183,785	$1,954,557		
410-75 SOUTHEAST HSC	185.15					$39,030,472		$39,030,472	$23,348,246	$14,459,843	$1,222,383		
410-76 SOUTH CENTRAL HSC	83.50					$16,793,883		$16,793,883	$8,980,593	$6,713,721	$1,099,569		
410-77 WEST CENTRAL HSC	136.10					$29,826,746		$29,826,746	$16,557,764	$11,727,264	$1,541,718		
410-78 BADLANDS HSC	74.70					$12,345,718		$12,345,718	$7,026,670	$4,332,504	$986,544		
410 HUMAN SERVICE CENTERS Total	**856.48**					**$175,632,844**		**$175,632,844**	**$100,423,365**	**$66,103,549**	**$8,955,930**		**$150,000**
420-00 STATE HOSPITAL	369.77					$62,362,960		$62,362,960	$43,108,797	$1,779,491	$17,474,672		
421-00 SH SECURED SERVICES	87.68					$11,126,676		$11,126,676	$11,126,676				
430-00 DEVELOPMENTAL CENTER	392.55					$53,050,470		$53,050,470	$24,986,252	$25,064,218	$3,000,000		
4xx INSTITUTIONS Total	**850.00**					**$126,540,106**		**$126,540,106**	**$79,221,725**	**$26,843,709**	**$20,474,672**		
Grand Total	**2,197.08**	**$99,944,332**	**$179,287,005**	**$216,160**	**$453,774,130**	**$302,172,950**	**$1,755,124,680**	**$2,790,519,257**	**$1,176,869,527**	**$1,488,818,284**	**$61,903,833**	**$40,991,646**	**$21,935,967**

Department of Human Services
Executive Budget Request
Medical Assistance Grants

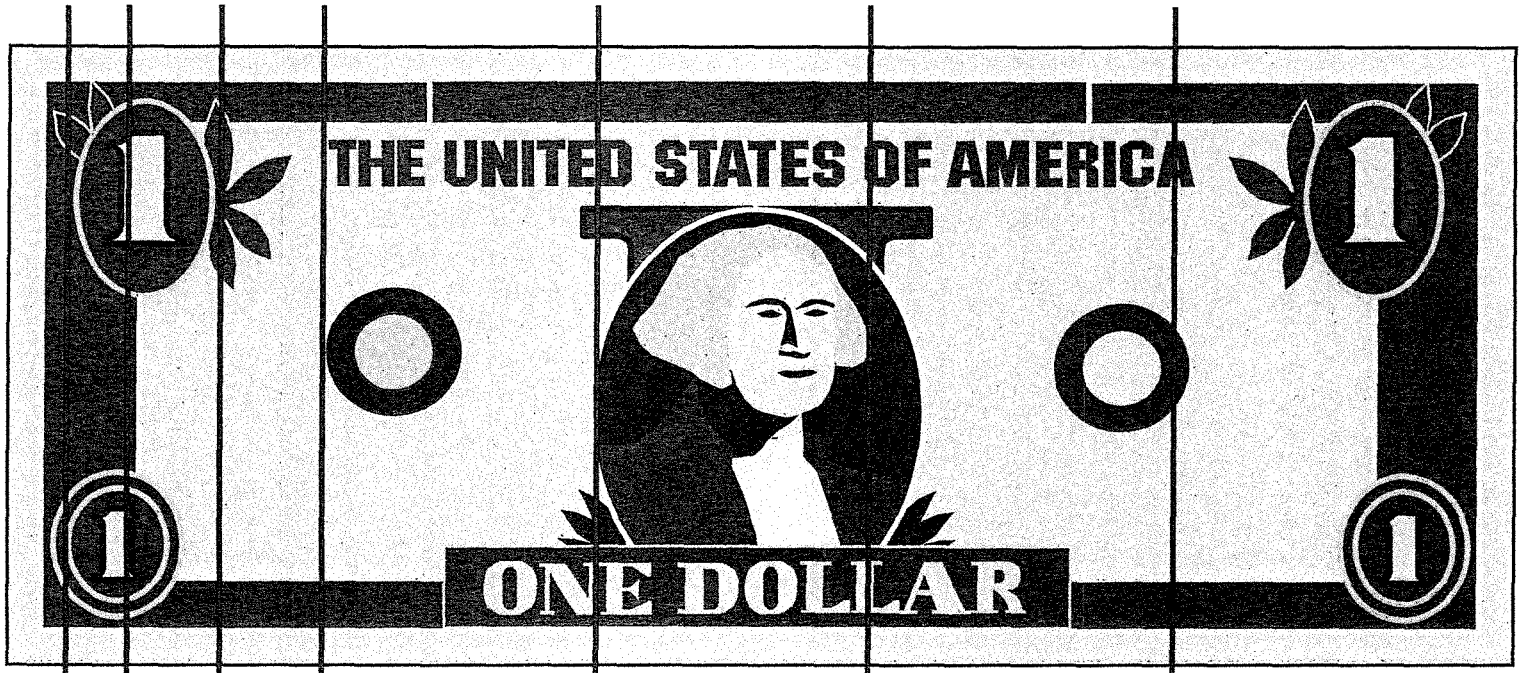
Attachment B



1 Hospital $258,562,120 40.3%
2 Physician Services $121,591,536 18.9%
3 Drugs - NET (Includes Rebates) $44,866,905 7.0%
4 Dental Services $29,011,103 4.5%
5 Premiums $26,136,120 4.1%
6 Psychiatric Residential Treatment Facilities $20,035,748 3.1%
7 Durable Medical Equipment $8,497,208 1.3%
8 Ambulance Services $7,943,992 1.2%
9 Federally Qualified Health Centers $7,921,657 1.2%
10 Other $117,834,633 18.4%

FA-12/20/12-cj-1315legis\ma budget request

Department of Human Services
2013 - 2015 Budget to House
Where Does the Money Go?
Department-Wide
Total Funds $2,790,519,257



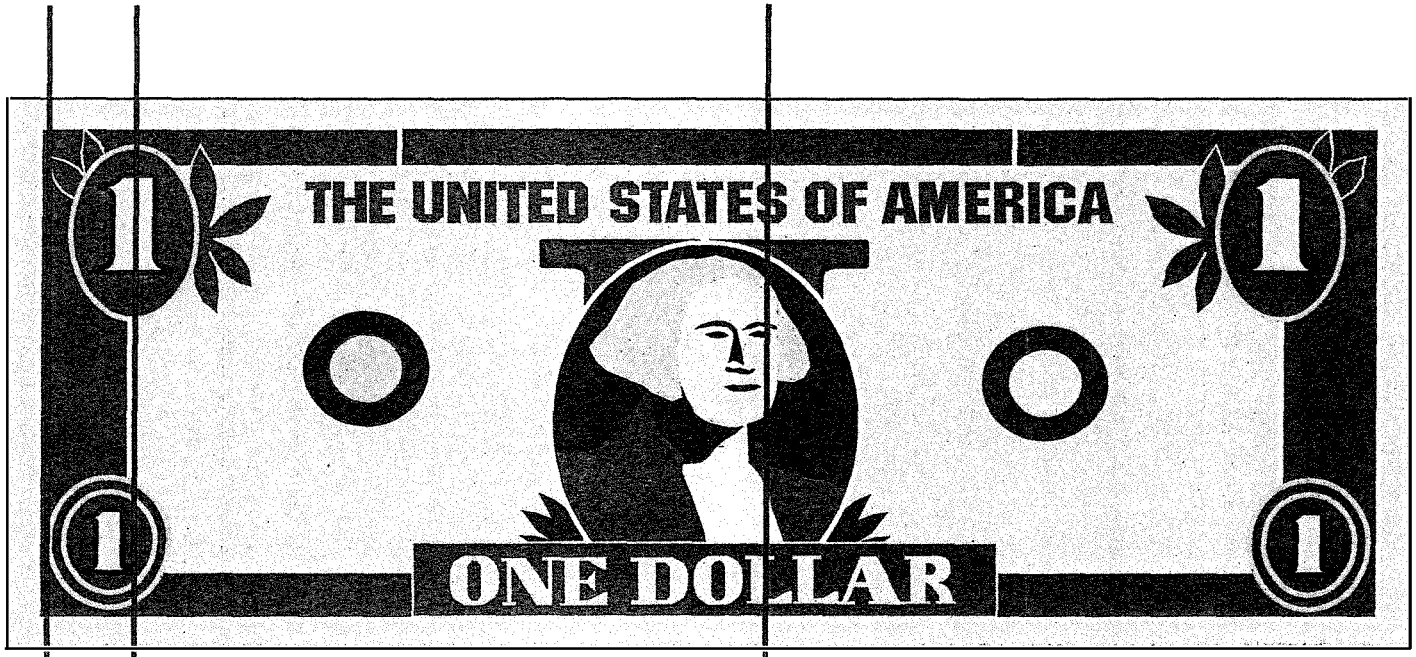
.04	.04	.06	.07	.18	.18	.20	.23
HCBS & Basic Care	Insti-tu-tions	Human Service Centers	Admin-istration	Developmental Disabilities Grants	Nursing Homes	Direct Client Services *	Traditional Medical Grants & Healthy Steps

* Includes TANF, JOBS, Child Care, SNAP, Heating Assistance, IV-D Judicial, Regional Child Support Units, Child Welfare, Aging, Mental Health, Substance Abuse, Vocational Rehabilitation, and Non-Medicaid Developmental Disability grants and services.

FA-12/11/12-cj\1315legis\house $

Attachment C

Department of Human Services
2013 - 2015 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Including DD Grants)
Total Funds $1,109,362,655



.03
Basic Care

.06 Home & Community
Based Services

.45
Nursing Homes

.46
Developmental Disabilities Grants

Attachment D

FA-12/11/12-cj\1315legis\house $

Attachment E

Department of Human Services OARs for the 2013-2015 Biennium

as of December 5, 2012

Row #	Cabinet Priority	Cabinet Category	Description (In Order by Reporting Level)	FTE	General	Federal	Other	Total
1	01	Optional 3% Savings Plan	Optional 3% Savings Plan		(32,279,508)	(32,086,444)	(98,913)	(64,464,865)
2	02	Affordable Care Act	Previously Eligible "Woodwork Effect"		4,536,578	4,536,618		9,073,196
3	03	Compensation Study	Staff Retention - 90% of Market		9,058,260	3,990,228		13,048,488
4	04	Oil Patch Add-On for Staff	Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions		3,253,008	514,992		3,768,000
5	05	Street Reconstruction	Street Reconstruction - State Hospital		864,714	-	-	864,714
6	06	Capacity	Children's ICF/ID		1,438,782	1,299,692		2,738,474
7	06	Capacity	Community Based Sex Offender High Risk Treatment		313,883			313,883
8	06	Capacity	Extended Services		201,600			201,600
9	06	Capacity	Employment Benefits Planning		540,000			540,000
10	06	Capacity	Developmental Disability Corporate Guardianship		179,379			179,379
11	06	Capacity	8 Unit Transitional Living Program - LRHSC		401,414	270,326	58,000	729,740
12	06	Capacity	Temporary Staff Due to Client Service Demand - SEHSC		399,753	5,144		404,897
13	06	Capacity	16 Unit Transitional Living Facility - SEHSC		975,000	325,000		1,300,000
14	06	Capacity	Developmental Disability Case Management - SEHSC	2.00	137,341	103,611		240,952
15	06	Capacity	Partnership and Mental Illness Case Management - SEHSC	4.00	222,649			222,649
16	06	Capacity	Mental Illness/Chemical Dependency Transitional Employment - SCHSC		308,000			308,000
17	06	Capacity	15 Bed Long Term Housing for SMI/CD - SCHSC		312,000			312,000
18	06	Capacity	4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		324,156			324,156
19	06	Capacity	10 Bed Mental Illness Long Term Residential - WCHSC		407,941	361,759		769,700
20	06	Capacity	Medical Detoxification - BLHSC		30,000	-	-	30,000
			Total Capacity Category	6.00	6,191,898	2,365,532	58,000	8,615,430
21	07	Inflation - 4% / 4%	Medicaid Provider Inflation		11,290,119	11,887,805	94,850	23,272,774
22	07	Inflation - 4% / 4%	LTC Provider Inflation		25,065,167	24,198,739	35,195	49,299,101
23	07	Inflation - 4% / 4%	Program & Policy Other Inflation		513,248			513,248
24	07	Inflation - 4% / 4%	Child Welfare Provider Inflation		2,385,376	3,110,836	999,293	6,495,505
25	07	Inflation - 4% / 4%	HSC Inflation		1,616,296	88,160	1,336	1,705,792
			Total Inflation Category		40,870,206	39,285,540	1,130,674	81,286,420
26	08	Information Technology Projects	Field Services Electronic Health Records System Replacement (SITAC #3)		5,000,000			5,000,000
27	08	Information Technology Projects	Mainframe Migration (SITAC #6)		148,907	93,093	568,000	810,000
			Total Information Technology Projects Category		5,148,907	93,093	568,000	5,810,000
28	09	Enhancement of Services	Expand Home Delivered Meals to SPED & ExSPED		66,587		2,374	68,961
29	09	Enhancement of Services	Extend Personal Care Services for SPED		128,982		6,792	135,774
30	09	Enhancement of Services	Personal Care with Supervision		70,556	70,556		141,112
31	09	Enhancement of Services	QSP Oversight Pilot Project		78,884	21,500	2,702	103,086
32	09	Enhancement of Services	Post Adoption Services		133,520	71,896		205,416
33	09	Enhancement of Services	Peer Support		300,000			300,000
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse		296,684	-	-	296,684
			Total Enhancement Category		1,075,213	163,952	11,868	1,251,033
35	10	Building Demolition	Demolish Refectory Building - Developmental Center		240,000			240,000
36	10	Building Demolition	Demolish Pleasant View Building - Developmental Center		120,000			120,000
			Total Building Demolition		360,000	-	-	360,000
			Total OARS		39,079,276	18,863,511	1,669,629	59,612,416

Footnotes:

OAR fully funded in the Executive Budget
OAR partially funded in the Executive Budget
OAR fully funded in the Executive Budget, however Department is to find FTEs within those currently authorized.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
1	01	Optional 3% Savings Plan	Optional 3% Savings	This is the 3% optional savings per budget instructions. This adjustment includes a 4.65% rate reduction for Medical Services and Long-Term Care providers.
2	02	Affordable Care Act	Previously Eligible "Woodwork Effect"	This is the group of individuals that are eligible for Medicaid today, but for various reasons, they have not come forward for coverage. There is widespread agreement that many in this group will apply for coverage in SFY 2014; regardless of whether the state chooses to opt into the Medicaid expansion that is part of the Affordable Care Act. The Department is estimating the "woodwork effect" will result in 1,300 additional individuals being eligible for Medicaid.
3	03	Compensation Study	Staff Retention - 90% of Market	The Hay Study allowed many employees to be increased to the minimum of their pay grade; however, there was no mechanism in place to address long-term staff salaries. As a result, the Department has an inordinate number of employees with many years of service, who are being paid at the same rate as a new employee. DHS has developed a salary model that addresses these inequities and will help the Department retain quality staff. This OAR will allow the Department to bring all staff to 90% of the market, as well as address the compression issues that exist.
4	04	Oil Patch Add-On for Staff	Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions	The oil industry in North Dakota has affected recruitment and retention of staff in the Department of Human Services. In order to retain existing staff, the Department implemented an oil-patch add-on for Williston (Region I) staff of $500 each month beginning in April 2012. The Minot (Region II) and Dickinson (Region VIII) areas are beginning to see increased turnover as well. The cost of living in these regions has increased, and in order to keep the existing staff, there is a need to implement the oil-patch add-on in these areas as well. This OAR requests funds to continue the oil-patch add-on for DHS staff in Williston and to implement the oil-patch add-on for DHS staff in Minot and Dickinson.
5	05	Street Reconstruction	Street Reconstruction - State Hospital	A large section of the street on the State Hospital campus is in need of major work. The street in question stretches from Circle Drive, past New Horizons, GM and Tompkins buildings to the Transitional Living houses. The work will include removing the cracked and deteriorating pavement, subgrade preparation and installation of new pavement. There are large sections of curb and gutter that also need to be replaced. Estimated cost is $864,714.
6	06	Capacity	Children's ICF/ID	Enhancement to provide 2 children's homes serving behaviorally challenging individuals. Each home would consist of 4 beds, and would provide services under the Intermediate Care Facilities for the Intellectually Disabled - Children.
7	06	Capacity	Community Based Sex Offender High Risk Treatment	DOCR anticipates increased referrals to this high risk sex offender treatment. Current budget is 70 referrals from DOCR and 6 from North Dakota State Hospital (NDSH) for the 11-13 biennium. Requested referral numbers reflect a 14 slot increase for a total of 84 referrals for the 2013-2015 Budget. Increased costs for the provider Rule CPC for group therapy, individual therapy, polygraphs, penile plethysmorgraphs, ABEL screenings, family sessions, and training conferences, case management rates, and intake rates. Based on the increased referrals and the average cost per slot of $22,420 the budget would be $1,776,864 per biennium, which is $313,883 more than the 2011-2013 budget.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
8	06	Capacity	Extended Services	The Extended Services program provides on-going support to assist people to maintain the integrated, competitive, community-based employment achieved under Supported Employment. The division calculates it will require an additional $18,800 to maintain the current number of individuals in the program. Additionally, the division currently has 24 individuals in the Supported Employment training and stabilization phase. In total, the division projects an additional $201,600 for the program in the 2013-2015 biennium.
9	06	Capacity	Employment Benefits Planning	To support a statewide system of benefit planning services available to all clients of the Department of Human Services. Benefits planning is an effective method to encourage employment and self-sufficiency among clients with significant disabilities. This service was previously provided by other entities however, Federal funding from the Social Security Administration and the Medical Infrastructure Grant is no longer available.
10	06	Capacity	Developmental Disability Corporate Guardianship	Increased demand for corporate guardianships resulted in a wait list. Due to the wait list an increase in capacity from 414 to 444, plus additional petitioning costs of $32,430 is being requested.
11	06	Capacity	8 Unit Transitional Living Program - LRHSC	$729,740 for contract dollars to establish a 8 unit transitional living program in the Devils Lake Region.
12	06	Capacity	Temporary Staff Due to Client Service Demand - SEHSC	40 hours per week temp in the partnership program due to demand to maintain client to staff ratio ($91,437). 20 hours per week temp nurse hours per week due to demand for nursing/med services ($63,017). 25 hours per week temp support staff due to demands in service records and client registration ($37,666). 40 hours per week temp MI case manager due to demand for services ($91,437) 40 hours per week in counseling. 20 hours per week in case aide services for non smi and/or cd clients. 20 hours per week of psych testing and therapy services $121,346).
13	06	Capacity	16 Unit Transitional Living Facility - SEHSC	$1,300,000 for contract dollars to establish a 16 unit transitional living facility (TLF) in the SE Region to support individuals with SMI & chronic addiction who need an intensive level of care which provides 24/7 support for a 12-18 month period of time in the development of skills which allow for them to transition to less restrictive level of care and recovery.
14	06	Capacity	Developmental Disability Case Management - SEHSC	2 regular FTE's to meet licensure requirements for DD 1 to 60 caseload ratio. Analysis of growth of DD consumers in the region would indicate that at least two additional positions would be needed during the next biennium.
15	06	Capacity	Partnership and Mental Illness Case Management - SEHSC	Additional funding to convert existing temporary position who provides services to 15-20 transitional youth to a regular FTE position. $26,293. 1 regular FTE for the partnership program. Cost of 1 FTE $120,475. Additional funding to convert 2 existing temporary positions who provide MI Adult Case Management to regular FTE positions. $75,881.
16	06	Capacity	Mental Illness/Chemical Dependency Transitional Employment - SCHSC	MI/CD Transitional Employment: Contract for transitional employment for 10-15 individuals per month to utilize employment as tool in recovery and stabilization. This program would continue the transitional employment into the community that starts at the NDSH as part of the treatment and stabilization process as well as to provide that level of care to individuals needing that service within the region. This is a short term placement where consumers with exacerbated MH or SA symptoms are stabilized while developing work skills and daily structure with eventual goal for job placement in community or transfer to Vocational Rehabilitation for continued job development skills.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
17	06	Capacity	15 Bed Long Term Housing for SMI/CD - SCHSC	$312,000 to partner with Other Community Providers to develop a 15 Unit Long Term Supported Housing Model for Homeless Individuals with SMI or Chronic Substance Abuse Diagnoses in Region VI. These would be contract dollars to provide partial funding for 24/7 staffing of the facility to assist individuals in completion of daily living skills, transportation to needed services, structuring activities to promote continued recovery, providing safe environment for all residents, etc.
18	06	Capacity	Mental Illness/Chemical Dependency Crisis Residential - WCHSC	As a result of increased need for MI/CD short-term crisis residential, four additional beds are being requested. This would increase our capacity from 10 beds to 14 beds. Our average occupancy rate over the past year has been 86% with the most recent months averaging over 90%. We have an average of two to four clients on the waiting list at any given time.
19	06	Capacity	Mental Illness Long Term Residential - WCHSC	West Central's current, 8 bed, MI long term residential facility has been at 100% occupancy for many years. There is typically a waiting list of 7 clients. Some clients have been on a wait list for multiple years and have had prolonged stays at our Transitional Living facility as there have been no other placement options. Our plans would be to contract for an additional facility with 10 beds.
20	06	Capacity	Medical Detoxification - BLHSC	Expansion of the contract with St. Joseph's Hospital for Medical Detox services for individuals requiring acute medical treatment for severe withdrawal symptoms from alcohol or drug abuse. Reimbursement is on a per admission basis. This OAR would add an additional $30,000 to the budget request based on projected expenditures in the 2011-2013 biennium.
21	07	Inflation - 4% / 4%	Medicaid Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
22	07	Inflation - 4% / 4%	LTC Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
23	07	Inflation - 4% / 4%	Program & Policy Other Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
24	07	Inflation - 4% / 4%	Child Welfare Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
25	07	Inflation - 4% / 4%	HSC Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
26	08	Information Technology Projects	Field Services Electronic Health Records System Replacement (SITAC #3)	The One Center- State Hospital is currently using AIMS software for electronic patient care system and the HSCs are using MIS/eCET, known as ROAP, for the electronic health information system. Both systems are outdated and the vendor for the HSC system is only committing to support the system for the next 5 years and the AIMS system is minimally supported by the vendor. As a result the problems faced in the AIMS system to incorporate federal requirements may put the Hospital's Joint Commission accreditation at risk. We would like to replace the two outdated system with a modern comprehensive behavioral health focused and meaningful use compliant electronic health record information system. This new system would have an integrated case management system that encompasses the continuum of services, reduce redundant data collection, be useful and efficient tool for front line staff, streamline workflow, meet all stages of meaningful use, eliminate duplication, meet management and reporting needs of supervisors and administrators, and include appropriate security and foundational structure to accommodate the respective requirements of the agency divisions. This project was ranked #3 by the State Information Technology Advisory Committee (SITAC).

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
27	08	Information Technology Projects	Mainframe Migration (SITAC #6)	Analyze the feasibility of removing the remaining DHS systems that run on the mainframe to a new application and/or a new operating environment. This includes five applications: 1) the Fully Automated Child Support Enforcement System (FACSES); 2) the Comprehensive Child Welfare Information Payment System (CCWIPS); 3) the Children & Family Services system's database; 4) Fiscal Administration's contract management system; and 5) Human Resource's Personnel Management Information System (PMIS). This project was ranked #6 by the State Information Technology Advisory Committee (SITAC).
28	09	Enhancement of Services	Expand Home Delivered Meals to SPED & ExSPED	Currently no meals are offered in SPED and ExSPED. The Home and Community Based Services waiver currently offers seven hot or frozen meals per week. Adding home delivered meals to SPED and ExSPED program seven days a week would allow individuals under 60 that are impaired in Meal Preparation to receive a nutritious meal each day to assure they are receiving adequate nutrition. The dollars associated with this service are for 18 months. The change would have a January 2014 effective date.
29	09	Enhancement of Services	Extend Personal Care Service for SPED	Adding extended personal care services (EPCS) to the SPED program to allow for a nurse educator to train an extended personal care provider to administer medications and do other medical tasks as allowed through the delegation by a nurse through the North Dakota Board of Nursing Policies. This will allow more individuals to be served in their home when their needs exceed the competencies allowed by the traditional Qualified Service Provider (QSP) program. The dollars associated with this service are for 18 months. The change would have a January 2014 effective date. This service is currently available in the Home and Community Based Services Waiver.
30	09	Enhancement of Services	Personal Care with Supervision	Adding the service of Personal Care with Supervision to the HCBS Waiver will allow individuals with a Primary diagnosis of Dementia or Traumatic Brain Injury (TBI) to receive 24 hour supervision within a daily rate. The setting for this service can be an individual home or apartment. All tasks, including personal care are included within the daily rate. This would allow individuals the choice of living in the least restrictive environment while continuing to have their needs met. The dollars associated with this service are for 12 months. The change would have a July 2014 effective date.
31	09	Enhancement of Services	QSP Oversight Pilot Project	The HCBS Qualified Service Provider (QSP) Oversight pilot would allow additional support and monitoring for the individual QSPs who enroll through the Department of Human Services. Through the current auditing and complaint log, it is apparent that QSPs could benefit by having a trained professional visit with them in the client's home as they are providing care. This would be an opportunity to determine if the care being given is appropriate and meets the Health, Welfare, and Safety expectations of CMS and the Department of Human Services. This pilot project will be in Region 3 due to the highest number of QSPs located in that region that are currently billing for services. (Region 3 includes Devils Lake, Belcourt, Cando, Dunseith, Fort Totten, Langdon and Rolla.) The dollars associated with this pilot are for 12 months. The change would have a July 2014 effective date.
32	09	Enhancement of Services	Post Adoption Services	Enhancement to provide services to adoptive families to maintain adoptive placements and permanence; thus avoiding adoption disruptions and subsequent re-placement of children in foster care.
33	09	Enhancement of Services	Peer Support	This program is a key part of the recovery effort and an integral part of the tiered case-management in play. In order for this program to be effective and fulfill the plan, there is a need for more resources for this program. This OAR doubles the current funding in each region. Currently small centers received 25,000 and large centers received 50,000.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse	Robinson is a forty bed (thirty male and ten female) long-term residential treatment facility for the treatment of those addicted to meth or other controlled substances. Nearly 60% of patients are taking a prescribed psychotropic medication. 60-70% of the residents also have a mental illness. Due to changes in clientele, a psychiatric nurse and family therapy are needed in addition to funding for medications. The request is for $148,342 per year.
35	10	Building Demolition	Demolish Refectory Building - Developmental Center	The Refectory Building should be taken down before it collapses.
36	10	Building Demolition	Demolish Pleasant View Building - Developmental Center	The Pleasant View building is one of the older buildings on campus. It would need major repairs to be usable and therefore it is more appropriate to demolish the building.

HB 1012
1/13/2013
Attachment #3

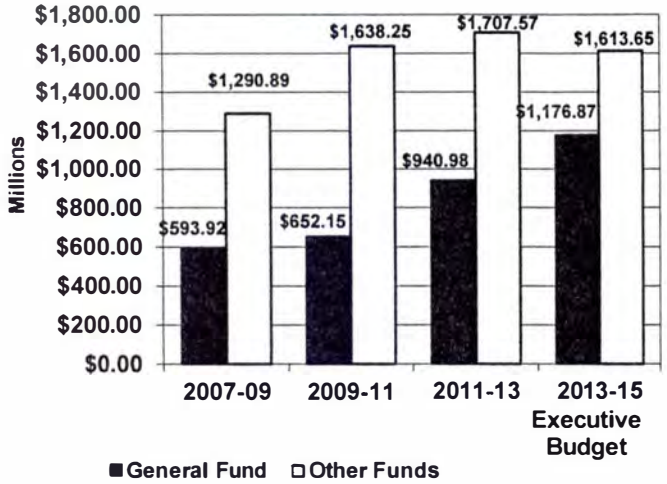
Prepared by the North Dakota Legislative Council
staff for House Appropriations
January 11, 2013

Department 325 - Department of Human Services
House Bill No. 1012

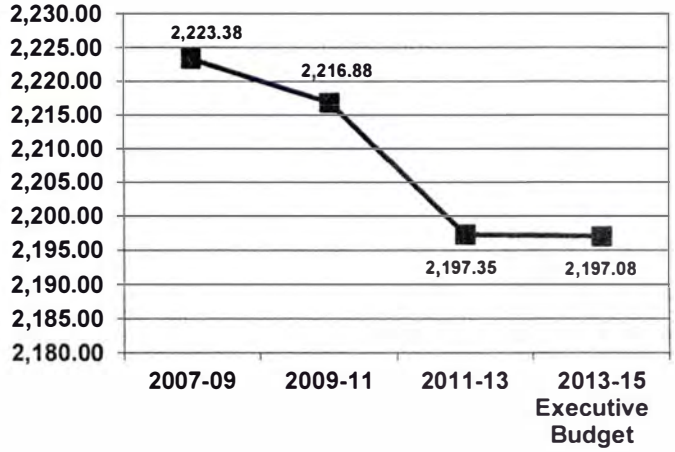
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	2,197.08	$1,176,869,527	$1,613,649,730	$2,790,519,257
2011-13 Legislative Appropriations	2,197.35	940,976,017	1,707,572,238	2,648,548,255[1]
Increase (Decrease)	(0.27)	$235,893,510	($93,922,508)	$141,971,002

[1]The 2011-13 appropriation amounts do not include $19,879,775, of which $965,771 is from the general fund, of carryover from the 2009-11 biennium and an allocation of $93,519 from the general fund from the Office of Management and Budget for student internships.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	$1,167,242,898	$9,626,629	$1,176,869,527
2011-13 Legislative Appropriations	927,187,922	13,788,095	940,976,017
Increase (Decrease)	$240,054,976	($4,161,466)	$235,893,510

Executive Budget Highlights

	General Fund	Other Funds	Total
Departmentwide			
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 55.12 percent in federal fiscal year 2013 to 50 percent in federal fiscal year 2014. The department anticipates North Dakota's FMAP to remain at 50 percent for federal fiscal year 2015. These changes are also reflected in selected program amounts below.	$93,347,906	($93,364,313)	($16,407)
2. Provides a 4 percent per year inflationary increase for human service providers. The Legislative Assembly in 2011 approved a 3 percent per year inflationary increase for all providers excluding physicians.	$40,870,206	$40,416,214	$81,286,420
3. Reduces funding for salaries and wages by $4,283,030 from the general fund in anticipation of savings resulting from employee turnover and position vacancies	($4,283,030)		($4,283,030)
4. Provides funding for state employee salary increases, of which $14,574,179 relates to performance increases and $9,784,705 is for market equity adjustments	$16,807,630	$7,551,254	$24,358,884

Management			
1. Adds **one-time funding** for salary enhancements for staff in Williston, Minot, and Dickinson	$3,253,008	$514,992	$3,768,000
2. Removes **one-time funding** provided in the 2011-13 biennium for the Information Technology Services Division	($11,171,765)	($55,446,690)	($66,618,455)
3. Adjusts funding for program and cost changes for the Information Technology Services Division (detailed changes not identified)	$2,998,397	$3,271,607	$6,270,004
4. Adds **one-time funding** for replacement of the field services electronic health records system	$5,000,000		$5,000,000
5. Adds **one-time funding** for analyzing the feasibility of removing the remaining department systems that run on the mainframe to a new application or a new operating environment	$148,907	$661,093	$810,000
Program and Policy			
1. Provides $5,597,322 from the general fund for **Indian county payments**	$606,961		$606,961
2. Reduces funding for **temporary assistance for needy families** (TANF) costs to $14,505,536, of which $445,001 is from the general fund and $8,979,599 is from retained funds. The funding level is anticipated to provide services for an average monthly caseload of 1,799 and to provide an average payment of $336 per case.	($5,086,957)	$2,853,243	($2,233,714)
3. Provides $20,898,665, of which $252,686 is from the general fund, $6,917,975 is from retained funds, and the remainder from federal funds, for **child care grants**. The change reflects an increase of $23,117 in retained funds and an increase of $320,696 in federal funds.		$343,813	$343,813
4. Decreases federal funding for supplemental nutrition assistance program (SNAP) or **food stamp benefits** to provide a total of $201,289,482		($40,653,014)	($40,653,014)
5. Increases funding for the **low-income home energy assistance program** (LIHEAP) to provide a total of $41,393,130		$1,956,853	$1,956,853
6. Provides $603,272,940, of which $244,944,194 is from the general fund, for **medical assistance grants** in the medical services program compared to $563,586,902 provided for the 2011-13 biennium, of which $197,027,430 was from the general fund. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$1,946,720	$3,934,355	$5,881,075
Adds additional general fund support as a result of FMAP changes	$29,381,242	($29,381,242)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, individuals currently eligible for Medicaid but not receiving services, QSP mileage reimbursement, increasing the personal care allowance from $50 to $65 for psychiatric treatment facilities and SSI clients, continuing payments to critical access hospitals, and rebasing payment to rural health clinics to Medicare rates	$16,588,802	$17,216,161	$33,804,963
7. Increases funding for **Healthy Steps** (children's health insurance program) to provide a total of $33.3 million, of which $11.6 million is from the general fund, to provide health insurance coverage for an average of 4,456 children at a monthly premium of $311.79. The executive budget recommends maintaining eligibility requirements for the program at 160 percent of the federal poverty level based on net income.	$3,110,516	$2,709,152	$5,819,668

8. Includes $29,487,399, of which $28,352,679 is from the general fund and $1,134,720 is from estate collections, 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. The amount provided is an increase of $3,179,920 from the 2011-13 biennium appropriation of $26,307,479, of which $25,152,575 was from the general fund.	$3,200,104	($20,184)	$3,179,920
9. Provides $501,294,823, of which $249,740,962 is from the general fund, for **nursing facility care** under the long-term care program compared to $459,836,020, of which $202,407,983 was from the general fund, provided for the 2011-13 biennium. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$6,446,175	$6,337,787	$12,783,962
Adds general fund support as a result of FMAP changes	$26,568,735	($26,568,735)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $50 to $65, and a provider 50 cents per hour wage passthrough	$14,318,069	$14,356,772	$28,674,841
10. Provides $36,280,327, of which $22,927,750 is from the general fund, for **basic care services** compared to $25,972,395, of which $14,812,502 was from the general fund, for the 2011-13 biennium. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$3,537,858	$1,792,790	$5,330,648
Adds general fund support as a result of FMAP changes	$1,064,982	($1,064,982)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $85 to $100 and a provider 50 cents per hour wage passthrough	$3,512,408	$1,464,876	$4,997,284
11. Increases funding for service payments for elderly and disabled (**SPED**) and **expanded SPED** to $15,860,106, of which $15,133,442 is from the general fund, compared to the 2011-13 biennium appropriation of $14,725,212, of which $14,036,062 was from the general fund. Major changes include:			
Reduces funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	($1,976,563)	($110,732)	($2,087,295)
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, expansion of home delivered meals, expansion of personal care services, a provider 50 cents per hour wage passthrough, and a QSP mileage reimbursement	$3,073,943	$148,246	$3,222,189
12. Increases funding for the **home and community-based care waiver** to $12,933,078, of which $6,444,623 is from the general fund, compared to the 2011-13 biennium appropriation of $9,538,386, of which $4,216,157 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$802,102	$1,009,848	$1,811,950
Adds general fund support as a result of FMAP changes	$636,730	($636,730)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$789,634	$793,108	$1,582,742

13. Increases funding for **targeted case management** to $1,735,896, of which $864,773 is from the general fund, compared to the 2011-13 biennium appropriation of $1,564,749, of which $690,422 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$32,711	$38,801	$71,512
Adds general fund support as a result of FMAP changes	$91,941	($91,941)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$49,699	$49,936	$99,635
14. Decreases funding for the **personal care option** to $27,867,758, of which $13,884,052 is from the general fund, compared to the 2011-13 biennium appropriation of $29,149,905, of which $12,886,305 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	($1,888,596)	($2,375,416)	($4,264,012)
Adds general fund support as a result of FMAP changes	$1,398,728	($1,398,728)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers	$1,487,615	$1,494,250	$2,981,865
15. Provides $502,420,761, of which $247,016,261 is from the general fund, for **developmental disabilities services** under the long-term care program compared to the 2011-13 biennium appropriation of $396,996,033, of which $174,231,307 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$27,217,103	$36,252,885	$63,469,988
Adds general fund support as a result of FMAP changes	$24,750,876	($24,767,283)	($16,407)
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $85 to $100 and a provider 50 cents per hour wage passthrough	$20,816,975	$21,154,172	$41,971,147
16. Provides $71,720,531, of which $11,764,958 is from the general fund, for **foster care services** compared to the 2011-13 biennium appropriation of $66,650,710, of which $11,922,010 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	($1,175,577)	$2,191,101	$1,015,524
Adds general fund support as a result of FMAP changes	$1,168,800	($1,168,800)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$806,897	$3,247,400	$4,054,297
17. Provides $24,348,509, of which $11,156,878 is from the general fund, for subsidized adoption compared to the 2011-13 biennium appropriation of $20,208,724, of which $9,159,965 was from the general fund	$1,996,913	$2,142,872	$4,139,785
18. Increases funding for peer support services	$300,000		$300,000
19. Increases funding for guardianship services provided by the Aging Services Division	$1,000,000		$1,000,000
20. Increases funding for payments to Centers for Independent Living for a total of $2,544,539	$800,000		$800,000
21. Increases funding to senior services providers for congregate meals	$800,000		$800,000

22. Provides funding for facilitators in each quadrant of the state to act as a resource to patients with a traumatic brain injury	$320,000		$320,000
23. Provides funding for 2-1-1 services	$150,000		$150,000
24. Increases funding for Healthy Families to $750,000	$250,000		$250,000
State Hospital			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$198,045	($198,045)	
2. Adjusts funding for program, cost, and caseload/utilization changes	$1,026,281	($1,565,110)	($538,829)
3. Provides ongoing funding for extraordinary repairs	$910,454		$910,454
4. Provides ongoing funding for equipment over $5,000	$251,413		$251,413
5. Provides **one-time funding** for street reconstruction project	$864,714		$864,714
6. Removes **one-time funding** provided in the 2011-13 biennium for capital projects (The amount shown does not reflect carryover funding from the 2009-11 biennium of $62,601.)	($1,800,000)		($1,800,000)
7. Removes funding provided in the 2011-13 biennium for extraordinary repairs ($703,650) and equipment over $5,000 ($30,000)	($733,650)		($733,650)
Developmental Center			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$2,795,330	($2,795,330)	
2. Adjusts funding for program, cost, and caseload/utilization changes	($2,094,772)	$2,094,772	
3. Provides ongoing funding for extraordinary repairs	$601,495		$601,495
4. Provides ongoing funding for equipment over $5,000	$152,000		$152,000
5. Provides **one-time funding** for demolition of the Refectory Building ($240,000) and the Pleasant View Building ($120,000)	$360,000		$360,000
6. Removes funding provided in the 2011-13 biennium for extraordinary repairs	($579,469)		($579,469)
Human Service Centers			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$2,635,928	($2,635,928)	
2. Adjusts funding for program, cost, and caseload/utilization changes	$2,704,558	($2,446,224)	$258,334
3. Removes funding provided in the 2011-13 biennium for extraordinary repairs and equipment over $5,000	($81,928)	($4,628)	($86,556)
4. Provides ongoing funding for extraordinary repairs	$34,345		$34,345
5. Provides ongoing funding for equipment over $5,000	$37,000		$37,000
6. Provides for inflationary increases of 4 percent for each year of the 2013-15 biennium	$1,616,296	$89,496	$1,705,792
7. Provides funding to contract with a vendor for an 8-bed transitional living facility (Lake Region Human Service Center)	$401,414	$328,326	$729,740
8. Provides funding for temporary staff in several program areas (Southeast Human Service Center)	$399,753	$5,144	$404,897
9. Provides funding to contract with a vendor for a 16-bed transitional living facility to support individuals with serious mental illness and chronic addiction (Southeast Human Service Center)	$975,000	$325,000	$1,300,000
10. Provides funding for additional FTE positions for providing developmental disabilities case management services (Southeast Human Service Center) (The department is to provide the FTE positions from within the department's authorized FTE level.)	$137,341	$103,611	$240,952

11. Provides funding to support 1 FTE position for the partnership program and to convert 3 temporary employees to FTE positions for the mental illness case management services (Southeast Human Service Center) (The department is to provide the FTE positions from within the department's authorized FTE level.)	$222,649		$222,649
12. Provides funding to increase short-term crisis residential bed capacity (West Central Human Service Center)	$324,156		$324,156
13. Provides funding to increase long-term crisis residential bed capacity (West Central Human Service Center)	$407,041	$361,759	$769,700
14. Provides funding to expand contracts for medical detox services (Badlands Human Service Center)	$30,000		$30,000

Other Sections in Bill

Appropriation - Section 3 appropriates any federal funds from the Affordable Care Act available to the Department of Human Services for implementing the provisions for the Medicaid expansion for the 2013-15 biennium.

Transfers - Section 4 provides that the Department of Human Services may transfer appropriation authority between line items within each subdivision and between subdivisions for the 2013-15 biennium. The department is to report to the Budget Section after June 30, 2014, on any transfers made in excess of $50,000 and to the Appropriations Committees of the 63rd Legislative Assembly any transfers made.

Medicaid management infonnation system replacement project - Section 5 provides for the continuation of the legislative appropriation for the Medicaid management information system replacement project in the 2013-15 biennium.

Medicaid upper payment limits - Section 6 provides that any appropriated increase for human service providers paid with Medicaid funding may only be provided to the extent the increase does not exceed the upper payment limit for that specific Medicaid service.

Rural health clinics - Section 7 provides that the Department of Human Services is to rebase rural health clinics to Medicare rates. Future increases are to be based on approved inflationary increases.

Expanded SPED eligibility - Section 8 amends North Dakota Century Code Section 50-24.7-01(6) relating to definitions for Expanded SPED.

Continuing Appropriations

Child support collection and disbursement - 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 - 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

Child support cooperative agreements - Section 50-09-33 - Allows the department to accept federal funds and other income generated by the department under a cooperative agreement with an Indian tribe for child support enforcement services for hiring staff and payment of other expenses as necessary for carrying out the department's duties under the agreement

Significant Audit Findings

The operational audit for the Department of Human Services conducted by the State Auditor's office during the 2011-12 interim identified the following significant audit findings:

- Control/fraud risk assessment not completed
- Inadequate controls surrounding revenue collections at various human service centers and the State Hospital
- Lack of internal controls at the State Hospital's commissary
- Financial reporting errors for the state's comprehensive annual financial report (CAFR)
- Lack of child care assistance controls

Major Related Legislation

House Bill No. 1023 - Provides a 2011-13 deficiency appropriation of $20.9 million from the general fund to the department for medical assistance grants relating to the reduction in the state's FMAP

House Bill No. 1034 - Provides for a Legislative Management study on health care reform. The department would be required to provide status reports on the state of health insurance and health-related public assistance.

House Bill No. 1035 - Extends the date for the moratoriums on expansion of basic care bed capacity and long-term care bed capacity from July 1, 2013, to July 1, 2015

House Bill No. 1039 - Provides an appropriation of $4.5 million from the general fund to the Department of Human Services to administer a voucher system for autism spectrum disorder services and support for the 2013-15 biennium. The department is to allocate up to $30,000 per year to each individual enrolled in the voucher program for paying costs of eligible services.

House Bill No. 1090 - Relates to claims against the estates of recipients or patients receiving benefits or services from the department

Senate Bill No. 2068 - Allows the department to convert residential child care facility bed capacity to psychiatric residential treatment facility bed capacity

Senate Bill No. 2069 - Changes the name of the developmental center in Grafton to the Life Skills and Transition Center

Senate Bill No. 2081 - Prohibits the department from making payment under Chapter 50-24.1 for medical assistance for gestational carriers for another person or couple

Senate Bill No. 2109 - Relates to eligibility determination for the children's health insurance program

HB 1012
1/14/13 AM
Attachment 1

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Debra McDermott, Chief Financial Officer of the Department of Human Services. I am here today to provide you an overview of the Administration/Support area of the Department of Human Services.

Programs

This area of the budget includes the Executive Office, Legal Advisory Unit, Human Resources, and Fiscal Administration. Each of these areas provide 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 costs for the Central Office divisions for items such as motor pool expenses, postage for routine mailings such as federally required client notices, along with the telephone services provided by the Information Technology Department.

Major Program Changes

There have not been any program changes in this area.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	9,405,518	38,657,863	29,252,345
Operating	5,491,514	6,426,513	934,999
Total	14,897,032	45,084,376	30,187,344
General Fund	7,804,302	28,448,672	20,644,370
Federal Funds	7,092,730	16,635,704	9,542,974
Other Funds			
Total	14,897,032	45,084,376	30,187,344

FTE	65.60	66.60	1.0

The Salary and Wages line item increased by $29,252,345 and can be attributed to the following:

- $24,358,884 in total funds, of which $16,807,628 is general fund needed to fund the Governor's salary package for the 2,197 department employees, located in the Central Office, Human Service Centers, and Institutions. The Governor's salary package follows the compensation philosophy adopted in HB 1031 by the last Legislative assembly.
- $229,977 in total funds, of which $138,956 is general fund needed to fund the Governor's benefit package for health insurance and retirement for the 66.6 employees in the Administration/Support area.
- $3,768,000 in total funds, of which $3,253,008 is general fund needed to fund the oil patch add-on for staff of the Williston, Minot, and Dickinson regions.
- $224,748 in total funds, of which $168,675 is general fund needed to fund the employee increases in the Administration/Support area approved by the last Legislative assembly.

- An increase of $30,948 to cover an underfunding of salaries from the 2011-2013 budget.
- $165,862 in total funds, of which $81,571 is general fund needed for an attorney in the Legal Advisory Unit to assist with the additional workload resulting from the Affordable Care Act, and the continuing changes in other federal program requirements. The FTE was transferred from another area within the Department. This budget is not requesting the authorization of an additional FTE.
- $305,785 in total funds, of which $244,536 is general fund needed to fund a Deputy Director position. The previous Executive Director chose to leave this position vacant for the past few bienniums. This budget is not requesting the authorization of an additional FTE.
- The remaining $168,141 is a combination of increases and decreases needed to sustain the salary of the 66.60 FTEs in this area of the budget.

The Operating line item increased by $934,999 (17.03%) and is a combination of the increases and decreases expected next biennium. Outlined below are the significant areas of change:

- $330,257 increase in the Postage budget to continue the current routine mailings and to provide for a 3.5% postal rate increase anticipated in January of each year.
- $291,378 increase in Professional Fees. $165,558 is a result of a decrease in the utilization of services provided by the Attorney General's Office offset by the rate increase of 39% - from $77.23 per hour to $107.35 per hour. $64,791 is a result of the decrease in the utilization of services by the Office of Administrative Hearings offset by the hourly rate increase of 20% - from $125 per hour to

$150 per hour. The majority of the remaining increase is attributed to the expected increase in the audit fees of $51,049.

- The increase of $186,110 in Operating Fees and Services is mainly due to an increase in statewide indirect costs billed by the Office of Management and Budget (OMB).
- $145,716 is attributable to the increase in the Travel category of the budget. $55,026 is related to an increase in the state fleet usage and an additional $95,137 is related to an increase in the mileage rate established by the Department of Transportation from $0.37 per mile to $0.47 per mile. These increases are offset by a decrease in the number of planned overnight stays.
- $29,270 increase in Building Leases. $28,874 is attributable to rate changes established by OMB – office space from $10.21 to $11.29 (10.6%) per square foot and storage space from $1.42 to $1.39 (-2.1%) per square foot. The payment to OMB is federal and other funds and contains no general funds.
- A $76,233 decrease in Insurance with the majority being a decrease by OMB for the Department's Central Office and Human Service Center risk management premium, offset by a 5% annual increase in the property insurance premium.

The general fund request increased by $20,644,370 with $20,060,636 or 97% of the increase related to the Governor's salary package for all Department employees and for the oil-patch add-on for Department employees in the Williston, Minot and Dickinson regions. The remaining $329,387 is related to salary changes for the Administration/Support area as indicated above and $254,347 is associated with 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 2013–2015 budget request for Administration/Support area of the Department. I would be happy to answer any questions.

Compensation Package

The recommended compensation package provides funds for employee salary increases following recommendations of the legislative classified employee compensation study and the resulting compensation philosophy statement from NDCC 54-44.3-01.2.

The classified employee compensation study included an in-depth review of the process of developing job classifications and assigning appropriate pay grades based on consistent job evaluation. The study also resulted in salary ranges based on a more thorough analysis of market pay including more direct comparison with salaries paid by employers in North Dakota.

In accordance with the compensation philosophy, the appropriation recommendations are "...not provided as a statewide percentage increase..." but are rather "...based on dollar amounts determined necessary to provide competitive compensation..." The appropriation allocations are based on agency employees' relative position to the Market Policy Point of their salary range and performance.

To address the issue of salaries of classified employees below the Market Policy Point, dollars recommended in the budget were based on a range of 2.0 to 4.0 percent per year for employees in the lowest quartile of the pay range and 1.0 to 2.0 percent per year for employees in the second lowest quartile of the pay range. For employees in the third and fourth quartiles, which are above the Market Policy Point, no market policy increase has been funded.

In addition to the dollars recommended in the budget to address market policy, the executive budget recommendation includes 3.0 to 5.0 percent each year of the biennium for all employees, classified and unclassified, to be distributed based on the level of performance. Performance-based increases are recommended at 3.0 percent for employees meeting performance standards and up to 5.0 percent for employees exceeding performance standards. Employees whose overall documented performance levels do not meet standards are not eligible for any salary increase.

The following chart reflects the implementation of the compensation philosphy statement in NDCC 54-44.3-01.2 as funded in the 2013-15 executive budget recommendation:

MARKET – PERFORMANCE MATRIX				
	Relativity to Market Policy Position*		**+ Meet Standards**	**+ Exceed Standards**
MPP+	0%			
2nd Qtl	1 – 2.0%	+	3.0%	5.0%
1st Qtl	2 – 4.0%			
**ALL increases contingent upon Performance Meeting Standards*				

Agencies will be provided with models and tools for planning distribution of salary increases but will also have appropriate flexibility to address their specific needs within the intent of the compensation philosophy. Salary increases are not to be given across the board.

The compensation package continues full health insurance for state employees and their families. The total cost for health insurance is $981.69 per month per employee. This is a $95.07 or a 10.7 percent increase over last biennium.

The Patient Protection and Affordable Care Act (PPACA) requires employers to provide health insurance to temporary employees meeting certain criteria in the number of hours worked. A $2,000,000 pool has been included in the budget of the Office of Management and Budget to be distributed to agencies and institutions as they provide health insurance to eligible temporary employees. Of this amount, $1,000,000 is from the general fund and $1,000,000 is other fund authority.

The executive budget recommends an increase in contributions to the retirement system of 2.0 percent on January 1, 2014 and another 2.0 percent on January 1, 2015. Employees will pay 1.0 percent of the annual contribution increase and the employer, the State of North Dakota, will pay 1.0 percent of the annual contribution increase.

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overview
Attachment
2

HB 1012
1/14/13 AM
Attachment #3

Testimony
House Bill 1012 – Department of Human Services
House Appropriations- Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Jenny Witham, Chief Information Officer for the Department of Human Services (Department). I am here today to provide you an overview of the Department's Information Technology Services Division.

Programs

The Department's Information Technology Services Division (ITS) is responsible for information technology strategic planning and budgeting, business analysis, project management, procurement, software development and maintenance, technology standards and policy enforcement, decision support, claims processing, electronic health record incentive payment determination, desktop support, electronic document management support, and data entry services.

Customer Base

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 the county social service boards across North Dakota.

Major Program Changes

ITS is in the process of replacing several major information systems in the Medical Services and Economic Assistance program areas. The

Medicaid Systems Project, which includes the Medicaid Management Information System, the Pharmacy Point of Sale, and Decision Support systems, is scheduled to be completed in the upcoming 2013–2015 biennium. The Eligibility System Modernization Project is scheduled to be fully implemented in the 2015–2017 biennium; however, the first phase will be completed by October 1, 2013, in order to meet Affordable Care Act requirements.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / (Decrease)
Salary and Wages	11,445,259	12,444,351	999,092
Operating	99,895,466	66,317,312	(33,578,154)
IT Equipment over $5,000	138,400	216,160	77,760
Capital Construction Carryover	21,291,536	0	(21,291,536)
Total	132,770,661	78,977,823	(53,792,838)
General Funds	36,860,443	34,140,080	(2,720,363)
Federal Funds	93,913,538	42,222,799	(51,690,739)
Other Funds	1,996,680	2,614,944	618,264
Total	132,770,661	78,977,823	(53,792,838)
FTE	81.50	81.50	-

The Salary and Wages line item increased by $999,092 and can be attributed to the following:

- $269,914 in total funds, of which $144,091 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $282,704 increase in total funds, of which $196,246 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $31,088 increase in total funds, of which $8,009 is general fund for increased overtime to process medical claims.
- $34,553 increase in total funds, all of which is general fund for the underfunding of the 2011-2013 budget.
- The remaining $380,833 increase in total funds, of which $36,278 id in general fund for increases needed to sustain the salaries of the 81.5 FTEs in this area of the budget.

The Operating line items decreased by $33,578,154. Major changes include:

- IT-Data Processing decreased $40,081,046; the change is mainly attributable to the following:
    - $42,416,499 decrease, of which $8,695,383 is general fund for removing one-time funding for the Eligibility System Modernization Project.
    - $1,863,820 increase, of which $477,401 is general fund for MMIS system software and hardware maintenance.
    - $810,000 increase, of which $148,907 is general fund to analyze the feasibility of migrating the remaining Department systems from the current mainframe environment.
- Supplies- IT Software increased by $5,575,807; the change is attributable to the following:
    - $5,000,000 increase, all of which is general fund for the Field Services Electronic Health Record Information System Replacement.
    - $575,807 increase, all of which is federal and other funds, relates to the implementation of a department-wide time and attendance and scheduling solution.

- IT Contractual Services increased $965,538, which is mainly attributable to the following:
    - $3,193,103 increase, of which $985,940 is general fund for system support and licensing fees for the Medicaid Management Information System.
    - $2,500,000 decrease, all of which is federal funds related to removing the one-time funding for the Vocational Rehabilitation Information System Project.
    - $288,772 increase, all of which is federal funds for the ongoing hardware and software maintenance costs for E-Prescribing and interoperability software at the regional human service centers. The e-Prescribing system module was implemented in the current biennium to support the telepharmacy project. This project allows the Department to leverage the expertise and services of pharmacists at the State Hospital and save pharmacy-related personnel costs at the eight human service centers.

The Capital Asset line of $216,160 contains items totaling $204,160 that should be included in operating. The $204,160, all of which is federal funds, includes $182,560 for the initial purchase and implementation of health information technology software and $21,600 in hardware maintenance fees for telepharmacy equipment. The remaining $12,000, all of which is federal funds, is for new equipment needed to support the interoperability software.

The Field Services Electronic Health Record Information System Replacement project will implement an electronic health record information system that is focused on behavioral health to support the

services offered by the Department's Field Services Division. The replacement software will support both outpatient and psychiatric inpatient business functions and service delivery needs. It will support the State Hospital's continued Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation by modernizing the IT system architecture and outdated technology, which limits the ability to incorporate changing federal requirements.

Capital Construction Carryover had a decrease of $21,291,536 in total funds, of which $2,377,532 is general fund for the Medicaid Systems Project. However, Section 5 of HB 1012 requests that any unexpended funds be made available for the completion of the Medicaid Systems Project during the 2013-2015 biennium.

This concludes my testimony on the 2013–2015 budget request for the Information Technology Services Division of the Department. I would be happy to answer any questions.

HB 1012
1/14/13 AM/PM
Attachment 4

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Carol Cartledge, Director of the Economic Assistance Policy Division, for the Department of Human Services (DHS). I am here today to provide you an overview of the Economic Assistance program area for the Department of Human Services.

Programs

Economic Assistance Policy Division (EAP) is responsible for eligibility of Basic Care Assistance Program, Child Care Assistance Program, Crossroads a program for teen parents, Low Income Home and Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF) Program. The Division's work includes:

- Distribution of benefits to recipients and payments to providers;
- Direction, supervision, and training of county social service boards on the administration of EAP programs;
- Implementation of applicable state and federal laws;
- Policy and procedures for determining eligibility in the computer systems; and
- Preparation of required state and federal reports.

EAP also includes Quality Control/Assurance and Regional

Representative Units. The Quality Control/Assurance Unit completes case reviews of Child Care Assistance, SNAP, Healthy Steps (Children's Health Insurance Program), Medicaid and TANF. Regional Representatives are the liaisons between Economic Assistance programs and county social service eligibility workers.

Caseload

EAP will direct and supervise county social services' determination of eligibility for the following:

Basic Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 615 residents of licensed basic care facilities, compared to the 2011-2013 biennium budget which was based on an average of 536 residents.

Child Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 3,170 cases per month, and the program will pay about 3,055 qualified child care providers an average monthly benefit per case of $275. This compares to the 2011-2013 biennium budget, which was based on an average of 3,915 cases per month receiving an average monthly benefit of $219.

SNAP: For the 2013-2015 biennium, EAP estimates serving an average of 27,671 cases each month that receive an average monthly benefit of $303, which is used to buy food at about 475 grocers in North Dakota. This compares to the 2011-2013 biennium budget, which was based on an average of 33,890 cases per month receiving an average monthly benefit of $297.

LIHEAP: For the 2013-2015 biennium, EAP estimates serving an average of 6,578 cases each month during the heating season, and paying about 400 energy providers an average monthly benefit per case of $230. This compares to the 2011-2013 biennium budget, which was based on approximately 6,910 cases per month during the heating season receiving an average monthly benefit of $238. Also included is $5,070,000 for weatherization and emergency furnace repair and replacement.

TANF: For the 2013-2015 biennium, EAP estimates serving an average of 1,777 cases each month that will receive an average monthly benefit of $331. The Job Opportunities and Basic Skills (JOBS) program will work with 1,213 cases to find jobs and promote family self-sufficiency at an average monthly cost of $251. In comparison, the 2011-2013 biennium budget was based on an average of 2,253 TANF cases per month receiving an average monthly benefit of $302 and JOBS working with 1,221 cases at an average monthly cost of $246.

Kinship Care: For the 2013-2015 biennium, EAP estimates helping an average of 23 cases each month receiving an average monthly benefit of $726 compared to the 2011-2013 biennium budget, which was based on approximately 29 cases each month receiving an average monthly benefit of $614. These children would otherwise be in foster care.

Program Trends/Major Program Changes

Child Care Assistance: The child care caseloads are lower due to fewer families qualifying for benefits or qualifying for a lower benefit amount as a result of increased wages in North Dakota and implementation of a revised co-payment structure. As a result of the lower caseloads, the

program increased maximum allowable rates paid to licensed providers, lowered family co-payments and reinstated payments for child care while qualifying individuals pursue a four-year degree in accordance with N.D.C.C. 50-33-03 – Available Benefits. The program is due for federal reauthorization by the end of March 2013.

SNAP: SNAP is the cornerstone of United States Department of Agriculture's nutrition programs and is the safety net that helps qualifying low-income people buy food to help them meet their nutrition needs. The caseload during the 2011-2013 biennium stabilized and caseloads did not increase as expected. The program is due for federal reauthorization by the end of September 2013 and at this time it is uncertain what will be contained in a new Farm Bill.

LIHEAP: The LIHEAP caseload has remained fairly stable. North Dakota will meet the heating needs of the LIHEAP clients in the 2013-2015 biennium, although FFY 2013 funding is not yet final. The program is due for federal reauthorization by the end of March 2013.

TANF: North Dakota continues to exceed the federally required 50 percent work participation rate without the addition of the caseload reduction credit. As a result of case management by employment contractors, pay after performance, and job opportunities in North Dakota, the TANF caseload remains below 2,000 cases per month. The program is due for federal reauthorization by the end of March 2013.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / (Decrease)
Salary and Wages	4,165,962	4,843,142	677,180
Operating	11,589,109	11,185,059	(404,050)
Grants	331,251,570	290,894,499	(40,357,071)
Total	347,006,641	306,922,700	(40,083,941)

General Funds	10,789,107	8,239,253	(2,549,854)
Federal Funds	317,470,807	277,733,467	(39,737,340)
Other Funds	18,746,727	20,949,980	2,203,253
Total	347,006,641	306,922,700	(40,083,941)

FTE	30.8	30.8	-

The Salary and Wages line item increased by $677,180 and can be attributed to the following:

- $106,419 in total funds, of which $49,840 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $114,442 in total funds, of which $64,076 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $195,542 increase, of which $79,781 is general fund, to provide for an additional 21 months of funding for the Health Care Reform eligibility and policy training position that was originally funded for three months during the November 2011 special session.

- $100,191 increase, of which $38,252 is general fund, to fund payouts for nine employees expected to retire in the 2013-2015 biennium.
- $122,566 increase, of which $4,903 is general fund, for an additional temporary position to lessen the impact on current staff involved in the eligibility system modernization project.
- The remaining $38,020 is a combination of increases and decreases needed to sustain the salaries of the 30.8 FTEs in this area of the budget.

The Operating line item decreased by $404,050 and is a combination of increases and decreases expected next biennium. The majority of which can be attributed to:

- $77,469 increase in travel due to bringing county eligibility workers for the eligibility system modernization project. In addition, the Quality Control Lead Reviewer is traveling from Jamestown to Bismarck on a biweekly basis or as needed. The previous Lead Reviewer was located in Bismarck.
- $368,574 decrease in the Operating Fees and Services budget is due to the Payment Error Rate Measurement required review under the Child Care Assistance program, which is no longer being contracted out. The reviews are now being completed by Quality Control/Quality Assurance Unit staff.
- $109,372 decrease in printing due to fewer manual letters being printed and an increase in electronic documents.

The Grants line item decreased by $40,357,071 and is a combination of the increases and decreases expected next biennium. The majority of the decreases can be attributed to:

- SNAP decrease of $40,653,014, all federal funds, which is due to 2011-2013 biennium caseload estimates not increasing as expected.
- TANF Regular Benefit decrease of $2,137,877, all federal funds, which is due to the 2011-2013 biennium caseload estimates not increasing as expected.
- LIHEAP increase of $1,956,853, all federal funds, which is based on estimated weather and fuel price trends.

This concludes my testimony on the 2013–2015 budget request for the Economic Assistance Policy Division of the Department. I would be happy to answer any questions.

HB 1012
1/14/13 PM
Attachment 5

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Subdivision
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Jim Fleming, Director of the Child Support Division of the Department of Human Services. I am here today to provide you an overview of the child support program for the Department of Human Services (Department).

Programs

The purpose of the child support program is to enhance the well-being of children and reduce the demands on public assistance programs. The Child Support Division accomplishes this purpose by obtaining child support and medical support from legally-responsible parents and by encouraging positive relationships between parents and their children.

Caseload/Customer Base

The caseload of the Child Support Division consists of two kinds of cases: 1) cases receiving all appropriate establishment, enforcement, and disbursement services under Title IV-D of the Social Security Act (IV-D cases) and 2) cases in which the Child Support Division only issues income withholding orders, maintains payment records, and disburses payments (nonIV-D cases).

A child support case can become a IV-D case upon request from another state or Tribe; upon referral from Foster Care, the Temporary Assistance for Needy Families program, or Medical Assistance (Medicaid); or upon request from either parent. While it may seem strange that a person who owes child support would apply for child support services, the reality is that the Child Support Division offers many services to help parents find employment, file motions with the court to reduce child support obligations following lay-offs or other reductions in income, and create long-term payment plans for parents who already owe arrears and are having financial difficulties. These payment plans include the suspension of additional interest on the arrears for as long as the plan is being followed.

As shown in the chart below, the total child support caseload was 52,871 in December 2012. The IV-D caseload was 40,611 and the nonIV-D caseload was 12,260. As of March 2012, the most recent date we have data available from the federal government, our caseload included roughly 65,125 children and 78,700 parents.

Department of Human Services
Child Support Cases
December 2001 through December 2012

Case Type	12/2001	12/2002	12/2003	12/2004	12/2005	12/2006	12/2007	12/2008	12/2009	12/2010	12/2011	12/2012
Non IV-D	13,131	11,872	9,474	9,802	9,771	10,314	10,161	9,971	10,410	11,072	11,518	12,260
IV-D	39,047	39,236	40,180	41,385	41,886	42,323	42,540	42,108	42,241	40,399	39,827	40,611
Total	52,178	51,108	49,654	51,187	51,657	52,637	52,701	52,079	52,651	51,471	51,345	52,871

We continue to monitor our caseload carefully for any trends that may be connected to the increased oil field activity.

Program Trends/Major Program Changes

Program Changes

During the current biennium, one of the most recent changes is in the name of our division from "Child Support Enforcement" to "Child Support." Almost 40 years ago, when the child support program was created, the focus of the program was to obtain as many orders as possible and enforce those orders to recoup public assistance expenditures. Presently, the program's focus instead is on maintaining realistic child support obligations that allow parents to make sustained collections of current support that children and families can rely on to meet their needs without applying for public assistance. In national discussions on the current role of the child support program, two common phrases are "arrears management" and "right-sizing orders." These phrases reflect the indirect but significant impact on child support collections when the Child Support Division helps parents with finding employment, managing their arrears debt, and making sure the court-ordered current monthly obligation changes periodically to follow rises and falls in the parent's income.

This name change is one of the last steps in the reorganization of the Child Support Division. The reorganization process began in 2007 when the Legislature transferred administration of the child support program from the counties to the Department to encourage more efficient and consistent services throughout the state. This transfer was a very large undertaking, and was completed with existing staff and resources over the course of several years.

In the last biennium, the organizational structure of the Child Support Division was changed to reflect the revised role of the eight regional units and the central office as components of an integrated statewide program instead of stand-alone offices. The new structure focuses on customer service on a statewide basis and assigns two assistant division directors to supervise four regional offices each. The Child Support Division's commitment to collaborative planning and training was increased, as was the interaction between program managers and field office staff. We believe the reorganization will continue to expand the focus of the child support program beyond enforcement activities to enhanced customer service.

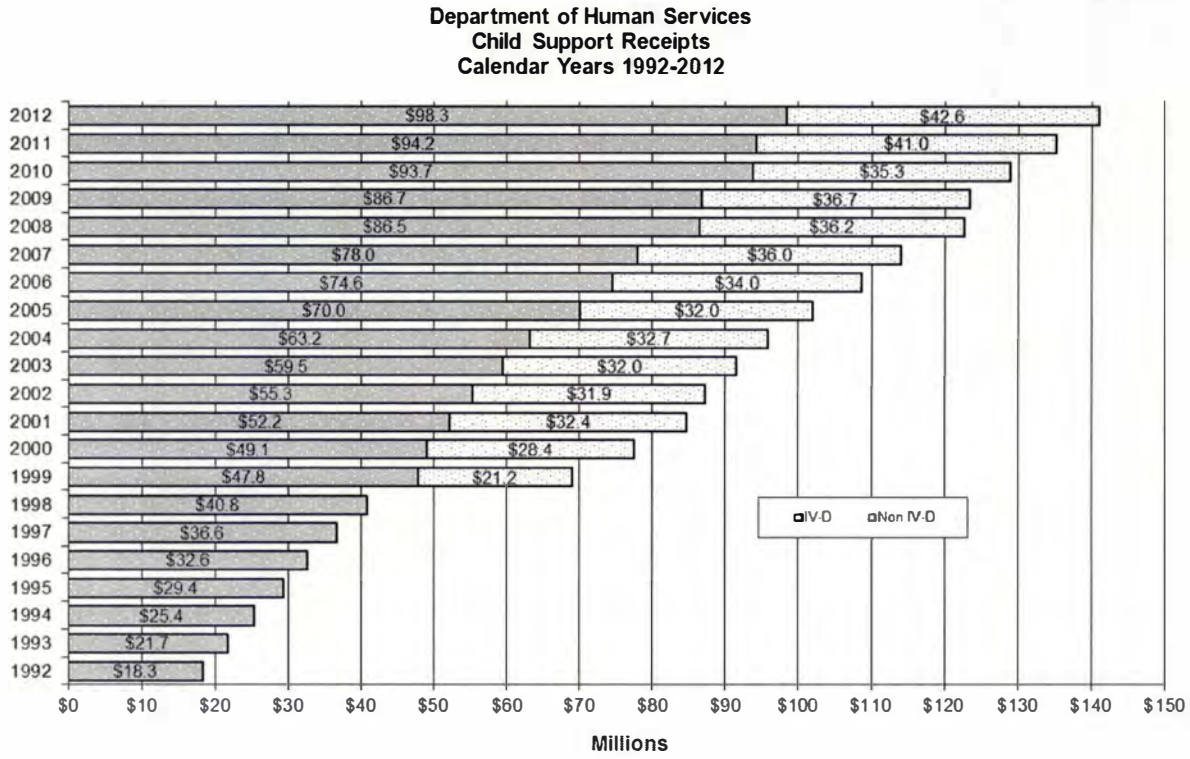
The 2011-2013 biennium has also seen notable increases in collections through income withholding and employer usage of the Child Support Division's website for reporting new hires and remitting funds. While a part of this increase can be attributed to the state's strong economy, we can also see the impact of 1) expanded employer outreach in the biennium and 2) the January 1, 2012, effective date of legislation requiring larger employers to submit payments and new hire reports electronically. The number of employers who have asked to be exempt from the new law is minimal. The new on-line lien registry, which went live in March 2012, has also resulted in large payments and cases being paid in full.

Collections

For calendar year 2012, total collections reached a new record of $140.96 million. The collections in IV-D cases increased 4.4 percent to $98.34 million, and the collections in nonIV-D cases increased 3.9 percent to $42.6 million. Of the estimated $285 million we expect to collect in the

next biennium, we expect roughly 86 percent will be sent to families, with the remaining 14 percent either sent to other jurisdictions for disbursement or retained to reimburse taxpayers for expenditures by the Foster Care and Temporary Assistance for Needy Families programs.

Nearly two-thirds of child support collections are the result of employers withholding from employee wages under an income withholding order.



Performance.

The Child Support Division, with the help of strategic partners such as employers and the clerks of court, continues to rank as one of the best programs nationally, even though there is more work yet to do. Using the five federal fiscal year (FFY) measurements:

- Percent of children in IV-D cases born out of wedlock with paternity established or acknowledged: 108.84 percent (this formula

compares the children born out of wedlock with paternity established in IV-D cases that were open during FFY 2012 with the number of children born out of wedlock in IV-D cases that were open at the end of FFY 2011), down slightly from 109.5 percent in FFY 2011 and up from 108.14 percent in FFY 2010.

- Percent of cases with court orders for child support: 89.15 percent, down slightly from 89.84 percent in FFY 2011 and 89.78 percent in FFY 2010.
- Percent of current support owed in IV-D cases that is collected: 75.09 percent, up from 74.57 percent in FFY 2011 and 74.21 percent in FFY 2010.
- Percent of IV-D cases with arrears in which there was a collection on the arrears: 68.68 percent, down slightly from 69 percent in FFY 2011 and 68.7 percent in FFY 2010.
- Amount collected for each dollar spent: $6.63, up measurably from $6.32 in FFY 2011 and $5.61 in FFY 2010. This is the highest ratio achieved by the child support program since the data started being collected in 2002.

In addition to the five federal performance measurements above, the number of IV-D cases that cannot proceed for lack of jurisdiction has reached a historic low of 1,986 based on our increased efforts to partner with Tribes, Tribal IV-D programs, and Tribal courts.

Receivables

As mentioned in the performance section of this testimony, North Dakota parents on average are very diligent in providing current support for their children. Although over 75 percent of the current support that accrued during the course of FFY 2012 was collected on time and in full, over $24 million in current support went uncollected. Over the course of FFY 2012,

the Child Support Division collected $21.23 million in past-due child support. Factoring in the judgment interest that accrues monthly on unpaid child support arrears, the total arrears owed in IV-D cases in North Dakota at the end of calendar year 2012 rose slightly to $233.2 million, with another $69.8 million owed in nonIV-D cases.

Medical Support

Establishment and enforcement of medical support have long been core services of the child support program. To date, our program focus has been on identifying any coverage that is available at no cost or nominal cost to the parent with primary residential responsibility, or else any coverage that is available at reasonable cost to the parent who does not have primary residential responsibility. Just before the enactment of the Affordable Care Act, new federal program requirements were adopted that would have significantly increased the duties of the child support program regarding medical support. After the Affordable Care Act was enacted, these new requirements were placed on hold. Currently, we await federal guidance on the expectations of the child support program. It remains to be seen whether the child support program will continue to have a limited role in identifying available coverage, or will have increased responsibilities to enforce the mandates of the Affordable Care Act. In preparation for potential program changes to implement new medical support requirements, and the priority that will need to be given to any of those changes, the Child Support Division has been committing extra time to standardize the program's legal documents and update existing policies.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	20,858,040	21,588,397	730,357
Operating	4,182,317	4,426,180	243,863
Total	25,040,357	26,014,577	974,220
General Funds	6,834,904	7,237,806	402,902
Federal Funds	15,168,700	15,692,111	523,411
Other Funds	3,036,753	3,084,660	47,907
Total	25,040,357	26,014,577	974,220

FTE	165.20	165.20	-

The Salary and Wages line item increased by $730,357 and can be attributed to the following:

- $532,579 in total funds of which $223,073 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $436,063 in total funds of which $233,103 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining $238,285 decrease is a combination of increases and decreases needed to sustain the salary of the 165.20 FTEs in this area of the budget.

The Operating line item increased by $243,863 and is a combination of the increases and decreases expected in the next biennium. Some of the significant changes are:

- $110,903 increase in operating fees and services for costs related to serving parents with legal notice of court actions (service of process).

- $34,173 increase in in-state travel for assistant directors and specialized staff, and the projected volume of travel for court hearings.
- $58,688 increase to cover rent increases at five of nine current office locations.

The general fund request increased by a net amount of $402,902, consisting of an increase of $456,176 related to the Governor's salary package for state employees and an offsetting decrease in salary and operating changes as noted above.

Eligible IV-D expenditures are matched with 66 percent federal funds and 34 percent state funds. The other funds contained in the budget include the state's share of fee revenue and federal incentive funds that must be reinvested in the program.

This concludes my testimony on the 2013–2015 budget request for the Child Support Division of the Department. I would be happy to answer any questions.

HB 1012
1/14/13 PM
Attachment 6

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Cheryl Hess, Executive Director of the North Dakota State Council on Developmental Disabilities. I am here today to provide you an overview of the Council's budget request.

Programs

The Council administers the federal Developmental Disabilities Act Basic State Grant allocated to North Dakota. The Council advocates for policy changes that promote choice, independence, productivity, and inclusion for all North Dakotans with intellectual and developmental disabilities. The Council provides funding for and supports projects and activities that maximize opportunities in these areas for consumers and their families.

Program Trends/Major Program Changes

Under its federally approved five-year plan for 2012-2016, the Council is responsible for tracking and annually reporting performance data on 13 performance outcome measures to the federal Administration on Intellectual and Developmental Disabilities. Among other performance outcome data, some of the Council's accomplishments for 2012 include:

- 26 people were trained in employment
- 728 people were trained in community inclusion and inclusive education

- 37 people received training and supports to utilize mainstream technology to increase their access to the community, resources, social interactions, education, and employment opportunities
- 635 people became active in systems advocacy about community supports
- Six buildings/public accommodations became accessible
- Seven people joined boards, committees or advisory groups as a result of Council initiatives
- 673 people received training in quality assurance
- 652 people were trained in leadership, self-advocacy, and self-determination
- 116 entities participated in partnerships or coalitions created/sustained as a result of Council efforts
- 1,239 public policy makers and the general public were educated about issues related to Council initiatives

For the 2013-2015 biennium, the Council intends to continue to award grants to state and local private, non-profit agencies and organizations. Activities under these grants will need to address at least one of the six goals identified as priorities in the Council's federally approved five-year plan. These priority areas include: Community Living and Supports, Employment, Transition, Health Care, Self-Advocacy, and Leadership. More specifically, grant-funded activities under these priority areas are intended to assist persons with intellectual or developmental disabilities to:

- Have access to services available in the community that enhance their quality of life.
- Obtain and maintain employment consistent with their interests, abilities, and needs.

- Reach their educational and developmental potential.
- Have the information, skills, opportunities, and supports needed to live free of abuse, neglect, exploitation, and violation of their human and legal rights.

Overview of Budget Changes

Description	2011 – 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	162,095	167,444	5,349
Operating	132,652	43,063	(89,589)
Grants	621,142	700,000	78,858
Total	915,889	910,507	(5,382)
Federal Funds	915,889	910,507	(5,382)

FTE	1.0	1.0	0

The Council's budget request is 100 percent federal funding.

The Salary and Wages line item increased by $5,349, which can be mainly attributed to:

- $3,457 in federal funds to support the Governor's salary package for state employees.
- $2,103 in federal funds needed to fund the employee increases for 24 months versus the 12 months that are contained in the current budget.

The Operating line item decreased by $89,589, which can be primarily attributed to:

- Previous budget included contracted personnel to monitor grants. This will now be done internally.

The greatest share of the Council's proposed budget continues to be the Grants line item. The Grants line item increased by $78,858, which can be attributed to:

- The reduction in the operating line has moved to Grants to increase grant dollars for state, local, private, non-profit organizations and agencies to assist the Council to reach the goals outlined in North Dakota's 2012-2016, five-year State plan.

This concludes my testimony on the 2013–2015 budget request for the Council. I would be happy to answer ány questions.

HB 1012
1/14/13 PM
Attachment 7

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Jan Engan, Director of the Aging Services Division for the Department of Human Services. I am here today to provide an overview of the Aging Services Division for the Department of Human Services.

Programs

The Aging Services Division (Division) provides home and community-based services to assist individuals to remain in their homes and communities and to protect the health, safety, welfare, and rights of residents of long-term care settings and vulnerable adults in the community. The Division administers programs and services authorized and funded, in part, by the Older Americans Act that include:

- Elderly Nutrition Programs
- Supportive services such as Legal Assistance, Health Maintenance, Assistive Safety Devices Distribution Services, Senior Companion, and the Aging and Disability Resource-LINK initiative (Information and Referral and Options Counseling)
- Family Caregiver Support Program
- Long-Term Care Ombudsman Program
- Vulnerable Adult Protective Services Program

The Division also administers the U. S. Department of Labor's award to the state for the Senior Community Service Employment Program, and administers programs and services funded with state funds to include: Guardianship Program for Vulnerable Adults, State funds to Providers, Dementia Care Services, support for the Governor's Committee on Aging, and the Telecommunications Equipment Distribution Program.

The Division is a federally designated single planning and service area which requires the Division to carry out 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 reauthorization 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."

Caseload/Customer Base

In Federal Fiscal Year (FFY) 2011, the total estimated unduplicated count of persons served through services supported by OAA Title III was 27,997. Services provided under the OAA are generally for individuals 60 years of age and older with an emphasis on services to those with greatest economic need and greatest social need, with particular attention to low-income minority individuals and older individuals residing in rural areas. Also included in the target groups are older individuals at risk for institutional placement, with severe disabilities, with limited English proficiency, and with Alzheimer's

disease and related disorders, and their caregivers. Attachment 1 depicts the programs and services provided by the Division.

OAA Federal Fiscal Year 2011 Program Utilization

Older Americans Act – Title III Programs		
SERVICE	UNITS OF SERVICE	
Congregate Meals (meals served at meal sites)	686,631 meals	1 unit = 1 meal
Home Delivered Meals	480,547 meals	1 unit = 1 meal
Health Maintenance	129,442 units	Set unit/procedure
Information and Assistance	1,856 units	1 unit = 1 contact
Legal Assistance	6,007 units	1 unit = 1 hour
Assistive Safety Devices	1,431 units	1 unit = 1 device
Outreach	75,647 units	Set unit/procedure
Options Counseling	3,188 units	Set unit/procedure
Senior Companion	3,625 units	1 unit = 1 contact

Family Caregiver Support Program	
Unduplicated Caregivers Served	386
Unduplicated Grandparents Raising Grandchildren Served	6
Respite Care Provided	29,150 hours

Vulnerable Adult Protective Services	
New Cases	458
Closed Cases	434
Information/Referral	687
Brief Services (2 hours or less)	411

Hours	5,324

Long-Term Care Ombudsman Program	
Number of Complaints	858
Number of Cases Opened	687

- The **Senior Community Service Employment Program** (SCSEP), provides part-time employment and training opportunities for eligible persons 55 years of age and older with incomes up to 125 percent of poverty with the goal to transition into permanent employment. The Division contracts with Experience Works to provide direct services to participants. On-the-job training was provided to 74 individuals, with a program year-end open caseload of 57. From July 1, 2011, to September 30, 2012, there were 22 placements to unsubsidized employment settings. Testimony provided in 2010 reported that SCSEP programs nationwide experienced a 25 percent reduction in federal funding reducing North Dakota's planned participants from 71 to 56 positions. Experience Works serves an additional 216 participants in North Dakota through a national contract with the Department of Labor, which was reduced from 276 positions. The Division recently was notified of an award to the National Indian Council on Aging, effective October 1, 2012, adding 25 positions in designated locations throughout North Dakota.

- The **Guardianship Enhancement Program** provides funds for the purpose of guardianships program enhancements. From July 2011 to December 2012, guardianship funds were approved for 24 low-income individuals who were not eligible for guardianship services through the Developmental Disabilities system. In addition to being low-income, a

proposed ward must have a current diagnosis of a serious mental illness, or a documented traumatic brain injury (TBI), or be age 60 or older and be receiving case management services from a human service center, county social services, vulnerable adult protective services, independent provider, medical facility or similar agency. In this same time period, there were 41 intakes, 24 approved, 12 denials, three waiting further information, and two requests withdrawn. Referrals are received from a variety of sources with 41 percent being initiated by Vulnerable Adult Program staff. The current diagnosis or category for **approved requests** are:

TBI	2
60 years of age and older	5
Mental Health	5
Mental Health/TBI	3
Mental Health/60+	9
Total	24

From July 1, 2011, to January 8, 2013, total expenditures for the petitioning of 20 guardianships was $32,805.41 with the average cost per person served at $1,640.27. From the funds appropriated, an annual $500 payment is provided to guardians to assist in defraying associated costs for being a guardian. A combination of first and second year payments totaling $7,000 have been made to nine guardians.

- **Dementia Care Services Program** continues to be contracted to the Alzheimer's Association of MN/ND to provide resources, assistance, and support for citizens across North Dakota, in all geographic areas.

DEMENTIA CARE SERVICES PROGRAM		
	18 months January 2010 - June 2011	**12 months July 2011 – June 2012**
Contacts*	1,456	1,067
Caregivers	717	616
Persons with Dementia	454	345
Caregiver Training	320	168
Public Awareness/Training	867	694
Long-Term Care Costs Avoided (Median Range)	$3,007,147	$14,167,102
Health Care Cost Savings	$216,928	$85,944

*Contacts are a duplicate count of caregivers or persons with dementia.

- **The Aging and Disability Resource-LINK** initiative is in the final stages of implementation. The reauthorization of the OAA in 2000 and again in 2006 included language to create the Aging and Disability Resource Center Program (ADRC), known in North Dakota as the Aging and Disability Resource LINK (ADRL). The program is a collaborative effort of the Administration on Aging and the Centers for Medicare and Medicaid Services designed to streamline access to long-term care services and supports. Essentially this initiative is a nationwide effort to restructure services and support for older adults, all persons with disabilities, family members, and care providers. The Administration on Aging issued grants to states, and North Dakota received a three-year grant in 2009 for a pilot program to operationalize the ADRL concept and implement Options Counseling in Region VII. The implementation plan for the ADRL concept is to transition outreach services to options counseling. The ADRL is a new approach to serving people that is built on strengthening existing community partnerships and also developing new partnerships. The service is available to provide help to persons who do not qualify for publicly funded services

as well as those who do qualify. ADRL services focus on information and awareness, options counseling, streamlined access, person-centered hospital discharge planning, and quality assurance and evaluation. Beginning in January 2012, options counseling was implemented in the western four regions of the state and in 2013 it will be available statewide. Options counseling benefits individuals with immediate long-term care needs, especially after a major life changing event, individuals planning for future needs, and individuals and caregivers transitioning from one setting to another, especially those who do not qualify or receive public assistance.

The Graying of North Dakota brochure (Attachment 2) outlines the aging demographic. More recent data taken from "Aging Is Everyone's Business," December 2010, shows:

- A population shift of persons 60 years of age and older from rural to urban North Dakota communities is expected from 2000 to 2030:
    - In 2000, persons 60 years and older living in rural areas was 74,706 (63 percent) as compared to persons 60 years and older living in urban areas at 44,279 (37 percent).
    - By 2030, there is a population shift in this age group where 45 percent will be living in rural communities and 55 percent will live in urban communities.
- Growth is expected in the older population through 2050:
    - In 2011, the first Baby Boomer reached age 65 (Baby Boomers include anyone born between 1946 and 1964).

- In 2030, all Baby Boomers will be between ages 65 and 84 and the population 65 and older will comprise about 25 percent of North Dakota's total population.
- In 2050, Baby Boomers will be age 85 and older.

Information from the 2012 Statewide Housing Needs Assessment Briefing Points indicates in 2025, residents ages 65 and older are projected to be 18 percent of the total population, up from 14 percent in 2010.

Program Trends/Major Program Changes

- Studies continue to support the belief consumers of long-term care services prefer to remain at home, to live with or near family, and to have the opportunity to maintain independence. As increased numbers of North Dakotans reach 80 years of age and older, and since the incidence and prevalence of Alzheimer's disease and other related dementias increase with age, it is expected the number of individuals with these conditions will also grow rapidly. Estimates from the Alzheimer's Association indicate about 18,000 North Dakotans with Alzheimer's disease are being cared for by some 27,000 caregivers. This number is projected to increase in coming years. Alzheimer's disease, other related dementias, and some chronic care diseases impact the health and well-being of the recipient and also impact caregivers who report experiencing high levels of stress and negative effects on their health, employment, income, and financial security. Continued efforts to provide services, training, and community education will be needed to sustain the ability of caregivers in their efforts to provide the care needed in a home setting.

- With the projected increase in the aging population, the ability to access services to support a safe and healthy environment has the potential to increase demands in the area of Elder Rights. A 2010 study published in the American Journal of Public Health reports approximately 11 percent of elders experienced some type of abuse. This study did not include elders with dementia; however, it reported this population to be at an even greater risk of mistreatment. Nationally, research estimates indicate 1 in 14 cases of elder abuse is reported, and that elder abuse is under-identified and under-reported (1998 National Elder Abuse Incidence Study).

- Assisting individuals to live in a safe and healthy environment includes the work of the Long-Term Care Ombudsman Program. Staff and volunteers work to protect the health, safety, welfare, and rights of residents living in nursing facilities, assisted living, swing beds, transitional care units, and basic care facilities. This program has experienced a 40 percent increase in cases from FFY 2009 through FFY 2011.

- Living at home and in the community is also supported through elderly nutrition services that includes congregate meals, home delivered meals, nutrition education, and nutrition counseling. Older Americans Act Nutrition Programs have a three-fold purpose: to reduce hunger and food insecurity, to promote socialization of older individuals, and to promote the health and well-being of older individuals. A study released December 4, 2012, completed by Brown University indicates the more states spend on home delivered meals the more likely they are to help people stay at home. Proper nutrition improves the health, self-sufficiency, and quality of life of older adults. With

projected increases expected in the 60+ population, the nutrition providers will face new challenges in meeting the needs of a more diverse population group along with on-going challenges such as increasing costs of foods and supplies, compliance with federal requirements including dietary requirements for meals, transportation and fuel costs for meal delivery, population shifts from rural to urban, as well as service needs in sparsely populated rural communities. Additional challenges include fairly flat federal funding that continues to stretch the resources available to contract providers to meet expenses of providing these services.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
Salary and Wages	1,584,936	1,655,296	70,360
Operating	13,721,684	14,993,825	1,272,141
Grants	2,834,472	2,873,446	38,974
Total	18,141,092	19,522,567	1,381,475
General Funds	4,788,173	6,687,109	1,898,936
Federal Funds	13,073,669	12,555,458	(518,211)
Other Funds	279,250	280,000	750
Total	18,141,092	19,522,567	1,381,475
FTE	11.00	11.00	0.00

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item is increased by $70,360:

- $34,842 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $37,980 in total funds of which $29,628 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- The remaining net decrease of $2,462 is a combination of increases and decreases needed to sustain the salary of the 11 FTEs in this area of the budget.

The Operating line item increased by $1,272,141 and is mainly a combination of the following increases and decreases:

- Travel decrease of $20,180 of which $17,099 is general fund and is a combination of increase and decreases that reflect current utilization and the ending of the federal ADRL grant.
- Professional Development decrease of ($61,351), the majority of which is for the removal of a one-time increase to Guardianship, which is all general fund.
- Operating Fees and Services has a net increase of $1,366,849 mainly attributed to:
  - An increase of $800,000 for Elderly Nutrition Programs.
  - Increase of $1,000,000 for Guardianship services, which is all general fund.
  - Decrease of $175,690 for Title IIIB.
  - Decrease of $250,000 for Senior Employment.

The Grants line item increased by $38,974 and is mainly a combination of:

- Increase of $81,404 for Title IIIB Support.
- Decrease of $43,330 due to reduction in Senior Employment.
- Increase of $900 in other funds due to donations received for conference speakers.

This concludes my testimony on the 2013–2015 budget request for Aging Services Division of the Department. I would be happy to answer any questions.

Older Americans Act Programs (OAA)/State-Funded Programs

North Dakota Department of Human Services – Aging Services Division

Attachment 1

Nutrition Services Program	Supportive Services Program	Family Caregiver Support Program	Long-Term Care Ombudsman Program	Vulnerable Adult Protective Services Program
Services ▪ Congregate Meals ▪ Home-Delivered Meals ▪ Nutrition Screening ▪ Nutrition Education ▪ Nutrition Counseling	**Services** ▪ ADRL Options Counseling ▪ Assistive Safety Devices ▪ Health Maintenance (foot care; home visits; medication set-up; blood pressure/pulse/rapid inspection) ▪ Legal Assistance ▪ Outreach (ending 12/31/12) ▪ Senior Companion*	**Services** ▪ Information ▪ Assistance ▪ Individual Counseling ▪ Support Groups ▪ Training ▪ Respite Care ▪ Supplemental Services	**Services** ▪ Receive, investigate, and resolve complaints made by or on behalf of residents of long-term care and assisted living facilities ▪ Community Volunteer Ombudsmen* assist regional ombudsmen and provide on-going presence in assigned facilities	**Services** ▪ Assessment & evaluation of alleged abuse, neglect, self-neglect, or exploitation ▪ Referral or arrangement for provision of services if the vulnerable adult accepts/consents to services and follow-up ▪ Public education
Eligibility ▪ Individuals age 60 and older and spouse, regardless of age ▪ Volunteers under age 60 providing meal services during meal hours ▪ Individuals with a disability under age 60 in a housing facility primarily occupied by older individuals may receive a congregate meal if the facility has an OAA congregate meal site ▪ Individuals with a disability under age 60 who reside with an individual age 60 and older	**Eligibility** ▪ Individuals age 60 and older *Senior Companion ▪ Volunteers - Individuals age 60 and older meeting income requirements of up to 200 percent of poverty ▪ Recipients – Individuals age 60 and older who are homebound; not living in a long-term care facility	**Eligibility** ▪ Family caregivers of individuals age 60 and older ▪ Individuals caring for a person with Alzheimer's or related dementia, regardless of age of the person with dementia ▪ Grandparents or relative caregivers age 55 and older who care for children not more than 18 years of age ▪ Grandparents or relative caregivers age 55 and older providing care for adult children with a disability (age 19 and 59); caregiver cannot be the child's parent	**Eligibility** ▪ Residents of nursing facilities, basic care facilities, hospital swing beds, sub-acute and transitional settings, and assisted living facilities *Community Volunteer Ombudsmen must be 18 years of age or older and complete initial and on-going training	**Eligibility** ▪ Individuals age 18 and older or a minor emancipated by marriage who has a substantial mental or functional impairment that compromises health safety, or independent life style; does not include individuals residing in a long-term care facility or a group home for an identified population
Program Income ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients/recipients given the opportunity to contribute to the cost of the service ▪ No client/recipient is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used	**Program Income** Not applicable	**Program Income** Not applicable
			Information & Assistance: North Dakota Aging & Disability Resource-LINK 1.855.GO2LINK (1.855.462.5465) www.carechoice.nd.gov carechoice@nd.gov	

Older Americans Act Programs (OAA)/State-Funded Programs
North Dakota Department of Human Services – Aging Services Division

Senior Community Service Employment Program (SCSEP)	Dementia Care Services Program (State-funded)	Telecommunications Equipment Distribution Program (State-funded)	Guardianship Services for Vulnerable Adults (State-funded)
Services ▪ Job training ▪ Subsidized employment	**Services** ▪ Assessment ▪ Care Consultation ▪ Referrals ▪ Caregiver Training ▪ Education on dementia to medical professionals, law enforcement, caregivers, and the general public	**Services** ▪ Specialized telecommunications equipment	**Services** ▪ Establishment of guardianships for specific populations ▪ Set payment for court appointed guardian
Eligibility ▪ Individuals age 55 and older with income not more than 125 percent of poverty	**Eligibility** ▪ Individuals with dementia and their caregivers ▪ Eligibility is not based on diagnosis, age, or income level	**Eligibility** ▪ Have difficulty using the telephone because of a severe hearing loss, speech impairment or physical disability, and ▪ Have applied for or have phone service in their home, and ▪ North Dakota resident age five or over, and ▪ Meet income limits (based on the estimated median income for North Dakota), and ▪ Certified by a physician, audiologist, hearing instrument specialist, or speech language pathologist as unable to use a telephone readily purchased from a retail store	**Eligibility** ▪ Individuals who have a diagnosed mental illness, traumatic brain injury, or are over age 60 and are ineligible for developmental disabilities case management ▪ Guardian must be court-appointed
Program Income Not Applicable	**Program Income** Not applicable	**Program Income** Not applicable	**Program Income** Not Applicable

Percent of the North Dakota Population 60 Years of Age and Older and 85 Years of Age and Older

In 1950, 72,050 (11.6%) of North Dakota residents were age 60 and older.

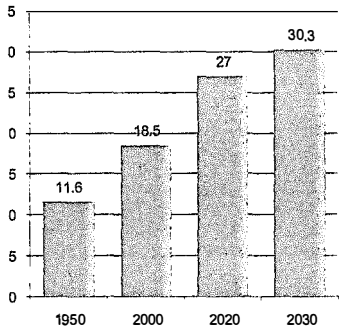
In 2000, 118,985 (18.5%) of North Dakota residents were age 60 and older. The U.S. percent of residents age 60 and older was 16.3.

In 2020, it is projected that 170,117 (27%) of North Dakota residents will be age 60 and older.

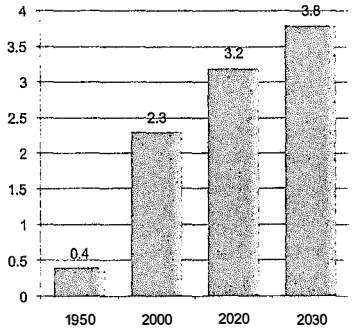
In 2030, it is projected that 183,897 (30.3%) of North Dakota residents will be age 60 and older.

- **In 1950,** 2,262 (0.4%) of North Dakota residents were age 85 and older.
- **In 2000,** 14,726 (2.3%) of North Dakota residents were age 85 and older. The U.S. percent of residents age 85 and older was 1.5.
- **In 2020,** it is projected that 20,106 (3.2%) of North Dakota residents will be age 85 and older. The U.S. percent of residents age 85 and older is projected to be 1.9.
- **In 2030,** it is projected that 23,302 (3.8%) of North Dakota residents will be age 85 and older.

Percent ND Population Age 60 and Older



Percent ND Population Age 85 and Older



Challenges for the Future

- Addressing healthy aging through disease prevention and health promotion.
- Continuing to support the needs of family caregivers.
- Providing an array of quality long-term care options, especially home and community-based services which many people report they prefer.
- Addressing the mental health needs of older persons.
- Providing consumers and their families easier access to services through information and development of "one stop shop" programs.
- Addressing the issue of the direct care service workforce and the value of older workers.

For Additional Information Contact:
North Dakota Department of Human Services
Aging Services Division
1237 West Divide Avenue, Suite 6
Bismarck, ND 58501
www.nd.gov/dhs

To Locate Services:
ND Aging and Disability Resource-LINK:
1-800-451-8693
Searchable database:
www.carechoice.nd.gov
Email: carechoice@nd.gov

DN425

The Graying of North Dakota

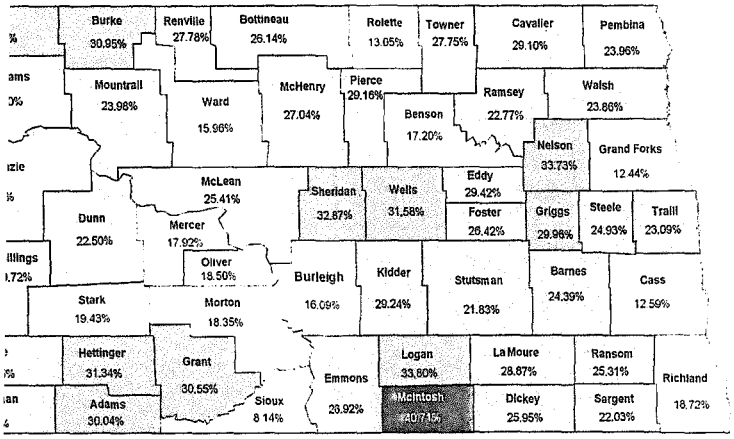
2000 - 20

December 200P

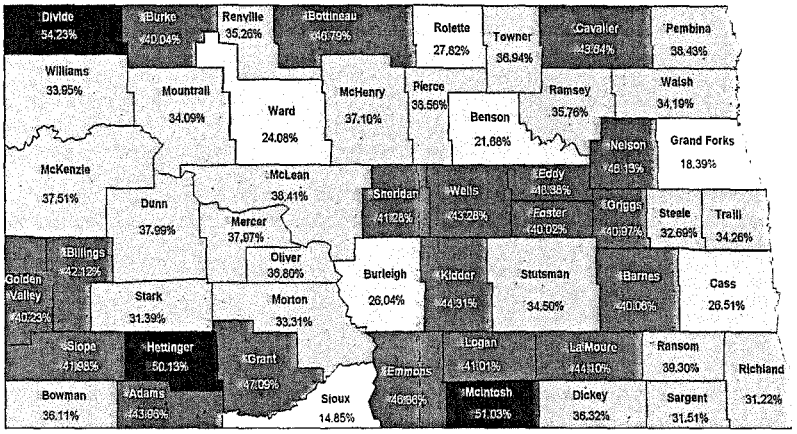
Percent Population Age 60 and Older in North Dakota Counties

Vhite: < 20% | Light Blue: 20 - 29% | Medium Blue: 30 - 39% | Dark Blue: 40 - 49% | Navy Blue: 50+ %

2000



2020 (projected)



ORTH DAKOTA's total population in 2000 was 642,200.

n **2000**, 118,985 (18.5%) persons in North Dakota were 60 years of age or older.

n **2000**, 16.3% of the U.S. population was 60 years of age or older.

n **2000**, fewer than 30% of persons in each of 43 counties in North Dakota were ıge 60 or older.

n **2000**, fewer than 20% of persons in each of 12 counties in North Dakota were ıge 60 or older.

n **2000**, only one county had more than 40% of its population age 60 or older.

RCE: File 2. Interim State Projections of Population for Five-Year Age Groups and Selected Age Groups by Sex: 1, 2004 to 2030, U.S. Census F au, Population Division, Interim Sta pulation Projections, 2005.

- **NORTH DAKOTA's** total population in 2020 is projected to be 630,112.
- **In 2020,** it is projected that 170,117 (27%) persons in North Dakota will be 60 year of age or older.
- **In 2020,** it is projected that 22.5% of the U.S. population will be 60 years of age or older.
- **In 2020,** only seven counties will have fewer than 30% of their population aged 60 or older. In two of those counties the percent of persons age 60 and older will be under 20%.
- **In 2020**, 22 counties will have more than 40% of their population aged 60 or older.
- **In 2020,** three cou ''s will have more than 50% of their population age 60 or older

HB 1012
1/15/13 AM

13.9515.01000

Prepared by the North Dakota Legislative Council staff

January 14, 2013

Attachment 1

2013-15 Executive Budget - Salary Increase Funding

e schedule below lists the salary increase funding recommended in the executive budget, including the performance and market equity components, by agency funding source.

Budget No.	Agency	Performance Increase Funding	Market Equity Increase Funding	Total Salary Increase Funding	Funding Source	
					General Fund	Special Funds
101	Governor's office	$97,746	$0	$97,746	$97,746	$0
108	Secretary of State, including Public Printing	176,966	77,237	254,203	246,577	7,626
110	Office of Management and Budget	852,783	376,377	1,229,160	1,020,203	208,957
112	Information Technology Department	3,154,239	709,996	3,864,235	561,021	3,303,214
117	State Auditor	501,707	179,118	680,825	510,619	170,206
120	State Treasurer	49,310	21,851	71,161	71,161	0
125	Attorney General	1,574,513	812,026	2,386,539	1,937,586	448,953
127	Tax Department	974,958	375,994	1,350,952	1,350,952	0
140	Office of Administrative Hearings	47,125	11,178	58,303	0	58,303
160	Legislative Council	350,222	0	350,222	350,222	0
180	Judicial Branch	2,599,325	0	2,599,325	2,599,325	0
188	Commission on Legal Counsel for Indigents	273,593	211,228	484,821	470,276	14,545
190	Retirement and Investment Office	140,303	58,670	198,973	0	198,973
192	Public Employees Retirement System	238,982	135,247	374,229	0	374,229
201	Department of Public Instruction	762,682	536,195	1,298,877	402,652	896,225
226	Land Department	270,213	41,504	311,717	0	311,717
250	State Library	175,255	109,824	285,079	262,273	22,806
252	School for the Deaf	256,401	171,489	427,890	410,774	17,116
253	ND Vision Services - School for the Blind	186,631	139,074	325,705	309,420	16,285
270	Department of Career and Technical Education	235,641	142,670	378,311	370,745	7,566
301	State Department of Health	2,591,125	1,860,560	4,451,685	2,403,910	2,047,775
305	Tobacco Prevention and Control	34,649	15,920	50,569	0	50,569
313	Veterans' Home	721,586	483,842	1,205,428	1,205,428	0
316	Indian Affairs Commission	35,092	12,518	47,610	47,610	0
321	Department of Veterans' Affairs	41,571	31,739	73,310	73,310	0
325	Department of Human Services	14,574,179	9,784,705	24,358,884	16,807,630	7,551,254
360	Protection and Advocacy	219,206	194,400	413,606	413,606	0
380	Job Service North Dakota	1,792,211	976,966	2,769,177	27,692	2,741,485
401	Insurance Department	322,722	137,266	459,988	0	459,988
405	Industrial Commission	704,031	89,785	793,816	730,311	63,505
406	Labor Department	88,869	66,568	155,437	155,437	0
408	Public Service Commission	374,768	114,302	489,070	308,114	180,956
412	Aeronautics Commission	45,318	6,953	52,271	0	52,271
413	Department of Financial Institutions	277,903	77,960	355,863	0	355,863
414	Securities Department	78,140	37,924	116,064	116,064	0
471	Bank of North Dakota	1,220,611	430,648	1,651,259	0	1,651,259
473	Housing Finance Agency	352,248	117,900	470,148	0	470,148
475	Mill & Elevator	0	0	0	0	0
485	Workforce Safety and Insurance	1,970,704	762,942	2,733,646	0	2,733,646
504	Highway Patrol	1,731,714	549,488	2,281,202	1,779,338	501,864
530	Department of Corrections and Rehabilitation	5,360,168	3,491,284	8,851,452	8,408,879	442,573
540	Adjutant General	1,548,288	653,145	2,201,433	748,487	1,452,946
601	Department of Commerce	353,441	0	353,441	272,150	81,291
602	Agriculture Commissioner	557,276	281,131	838,407	469,508	368,899
627	Upper Great Plains Transportation Institute	601,821	0	601,821	96,291	505,530
628	Branch Research Centers	855,157	0	855,157	711,781	143,376
630	NDSU Extension Service	2,113,010	0	2,113,010	1,056,505	1,056,505
638	Northern Crops Institute	102,846	0	102,846	79,191	23,655
640	Main Research Station	3,203,824	0	3,203,824	1,858,218	1,345,606
649	Agronomy Seed Farm	26,197	0	26,197	0	26,197
670	Racing Commission	15,258	12,584	27,842	27,842	0
701	State Historical Society	492,698	352,800	845,498	752,493	93,005
709	Council on the Arts	36,616	18,853	55,469	55,469	0
720	Game and Fish Department	1,285,409	417,434	1,702,843	0	1,702,843
750	Parks and Recreation	434,875	237,915	672,790	659,334	13,456
770	State Water Commission	796,379	332,828	1,129,207	971,118	158,089
801	Department of Transportation	8,771,730	959,118	9,730,848	0	9,730,848
	Total	$66,650,235	$26,619,156	$93,269,391	$51,207,268	$42,062,123

HB 1012
1/15/13 AM
Attachment 2

State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES
129 PLEASANT STREET, CONCORD, NH 03301-3857
XXXXXXXXX FAX: 603-271-4912 TDD ACCESS: 1-800-735-2964

New Number: 603-271-9200

NICHOLAS A. TOUMPAS
COMMISSIONER

January 14, 2013

Re: Getting Ready for New MMIS System Implementation

Dear NH Medicaid Provider:

The Department's new Medicaid Management Information System (MMIS) will "go-live" on **April 1, 2013**. The MMIS is the system that the Department relies on for its enrollment of NH Medicaid providers, for the processing of Medicaid fee for service claims received from NH Medicaid providers and trading partners, and for issuing NH Medicaid claims payments. The primary purpose of this letter is to:

- Provide official notification of the transition,
- Give you key dates so that you can best plan for the transition,
- Give you key instructions on preparing for the transition

We will "go-live" on April 1st, 2013 with the new system called the NH MMIS Health Enterprise System, referred to as Health Enterprise. The new system will be implemented, maintained and operated by the new fiscal agent, Xerox (formerly known as ACS).

The existing NH Medicaid claims system called the NH AIM System will retire in March 2013. NH AIM was implemented in 1994 and has been maintained and operated by our current fiscal agent HP (formerly known as EDS). This includes retiring the use of HP's Provider Electronic Solution software that is used by providers for eligibility inquiries and for submitting claims to the HP/NH AIM system.

The Department is working closely with both HP and Xerox to make the transition as smooth and as least disruptive as possible. We are transferring your historical data from NH AIM to Health Enterprise, so that it will be there when Health Enterprise starts processing claims on April 1st. We have processes in place for the hand-off of paper records, incoming mail, etc. as we transition between our two fiscal agents.

The steps that the Department must take to retire the older NH AIM system and to switch over to the new Heath Enterprise system will impact you. There are steps you must take to prepare for the shut-down of NH AIM. There are additional steps that you must take to ensure that you and/or your provider organization are ready for the start-up of the Health Enterprise system. We ask that you monitor this and future communications regarding this transition and take all requested action.

Upcoming Communications:
During the next three months leading up to April 1, 2013 you will receive a series of communications about preparing for the shut-down of the NH AIM system and for the "go-live" of the Health Enterprise MMIS. These communications will be issued through the Department, but may be mailed, posted, and/or delivered by HP and/or Xerox. They will include web postings, remittance advice Banner Messages, newsletters and bulletins. Please pay attention to these communications and take the steps necessary to best prepare you and/or your organization.

Preparing for last days and final processing on the NH AIM System:
HP and the Department will distribute information about the schedule of events leading to the eventual retirement of NH AIM, including final dates for the submission of enrollment application updates, prior authorizations, claims and adjustments, and financial payment cycle processing. More specific detail will be forthcoming, but the following dates/events are confirmed:

March 1, 2013	Last day for the submission of paper claims to HP
March 8, 2013	Last day for the submission of electronic and Provider Electronic Solution claims to HP Last day for the submission of adjustments and prior authorizations to HP
March 15, 2013	Last regular financial cycle in NH AIM by HP; processing all claims received March 2, 2013 through the March 8, 2013 deadline
March 22, 2013	Final financial cycle run in NH AIM by HP, processing most remaining paper and suspended claims received by March 8 deadline that were not processed for March 15, 2013
March 29, 2013	Last paid date for payments from March 22, 2013 financial cycle run

Enforcement of the early March deadlines for claims submission to the NH AIM system will lead to a period of time during which you will not be able to submit claims to the NH AIM system and you must wait for the Health Enterprise system to go-live. This period of time will be referred to now and in future communications as the "blackout period." Because you cannot submit claims during the blackout period, you could experience a gap in the receipt of regular claims payments. The Department is informing you in advance so that you can take the steps necessary to keep your billing as current as possible and to plan ahead for managing payments during the last few weeks of March and the first weeks in April.

The NH Medicaid Program recognizes that the blackout period may pose a hardship on some providers. It is our goal to avoid an interruption of services as a result of this transition. We are analyzing the feasibility of making transition payments to some providers to assure that services continue during the blackout period. Additional information will be forthcoming.

Getting ready for the Health Enterprise MMIS "Go-Live" and Start-up:

The Health Enterprise MMIS will be available and will begin to process transactions on Monday, April 1, 2013. In order for you and/or your provider organization to be ready to use the Health Enterprise system on day one, you will need to have:

1. One or more provider re-enrollment applications approved,
2. Your provider organization set up on the system with appropriately assigned user privileges,
3. Reviewed the processes, forms, and formats required by the Health Enterprise system to ensure that your submissions are accepted.

If you are a provider that uses a Trading Partner, including a clearinghouse or billing agent to submit/receive electronic transactions on your behalf, you will need to make sure that your clearinghouse or billing agent has submitted an approved trading partner application.

The Heath Enterprise System is being rolled-out in three phases: 1.) Provider Re-enrollment Phase, 2.) Provider Plus" Phase and 3.) Implementation Phase.

The **Provider Re-enrollment Phase** of the Health Enterprise implementation went live on ***December 17, 2011***. All active NH Medicaid providers must complete and submit a re-enrollment application with the Health Enterprise system. The re-enrollment application must be approved in advance of April 1st so that providers are able to submit claims to the new Health Enterprise MMIS when it goes live. All Trading Partners must submit and have an approved enrollment application. Actions required during the Provider Re-enrollment Phase are to:

1. Prepare, submit, and get your Provider Re-Enrollment application(s) approved;
2. Ensure that your clearinghouse or billing agent has submitted its trading partner application;
3. Complete #1 and #2 (if applicable) prior to February 15th to prepare for next phase.

If you do not have an approved provider re-enrollment application, any of your claims submitted to the new Health Enterprise MMIS for dates of service after April 1, 2013 will deny. Please take action.

The next phase of the Health Enterprise system implementation, referred to as **"Provider Plus" Phase** will begin on ***February 25, 2013***. With Provider Plus, the following will occur:

1. Approved re-enrolled Providers will receive letters containing their log-in credentials;
2. Providers will log-in to the new Health Enterprise MMIS to set up their provider organization;
3. Organization Administrators can designate user access privileges for authorized users;
4. Providers can begin to create claim templates if they intend to submit claims online; and
5. Review new billing manuals for the potential for any changes to billing with the new MMIS.

"Go-Live" on ***April 1, 2013*** is the start of the final **Implementation Phase.** "Go-Live" represents the complete transition of processing from the old system to the new system. It represents,

- the shut-down of all processing on the HP NH AIM system; and
- the start of NH Medicaid claims and payment processing on the new system

The new Health Enterprise system will process its first financial cycle on 4/5/2013 with a paid date of 4/12/2013. Checks and EFT payments will be issued following 4/12/2013.

The Department, Xerox and HP are all committed to effecting as successful a transition as possible and to keeping you informed. We are striving to minimize the impact to you and to be ready to support you through this process. We appreciate your willingness to work with us and your effort to get your provider organization as ready as possible as we approach March 2013.

If you have any questions specific to the schedule of activities related to the retiring of the current NH AIM system, please contact the HP Provider Relations Unit at 1-800-423-8303 (NH & VT only) or (603) 224-1747. If you have any questions about the implementation of the new Health Enterprise MMIS please contact the Xerox Provider Relations Unit at 1-866-291-1674 or (603)-223-4774.

Sincerely,

Nicholas A. Toumpas.
Commissioner

Key Points
Getting ready for the new MMIS Implementation

Health Enterprise MMIS is going live on April 1, 2013:

Provider Re-enrollment

- *All currently active NH Medicaid Providers who intend to continue to provide services and to submit claims after 4/1/2013 must re-enroll with the new Health Enterprise MMIS*
- *Complete and submit your re-enrollment application online by February 15th, 2013 so that it can be reviewed and approved prior to 4/1/2013*

Provider Plus

- *After 2/25/2013, the new Health Enterprise System will issue a letter to all approved re-enrolled providers that will contain the log-in credentials for your organization administrator*
- *Provider Organizational Administrators can log-in to Enterprise to set up the access rights for staff in your provider organization that will use Enterprise to check eligibility, submit service authorizations, submit online claims, and/or access your remittance advice online.*
- *Providers who elect to submit claims using Enterprise's online claims submission capabilities can begin to create claim templates to facilitate the submission of their claims.*
- *Review the new Billing Manual for your provider type so that you are current with the billing policies of the Department*

Implementation – Go-Live 4/1/2013

- *Beginning 4/1/2013, if you do not have an approved re-enrollment application, you will not be ready to use the online capabilities of Enterprise and any claims you submit to Enterprise for dates of service 4/1/2013 and later will deny.*
- *Enterprise will begin to process claims on 4//2013 and the first financial cycle will be run on Enterprise on 4/5/2013 with a paid date of 4/12/2013.*

NH AIM will be retiring on March 31, 2013:

January 2013

- *DHHS will communicate plan for possible transition payments to certain providers*

February 2013

- *Take the steps necessary to ensure that your requests for prior authorizations and your claims billing to HP/NH AIM are caught up and are as current as possible*

March 2013

- *Be aware of final processing deadlines and "black-out" periods, including:*
  - *3/1 – last day for paper claims submissions*
  - *3/8 last day for electronic claims, prior authorizations, claims adjustment submissions*
  - *3/15 last major financial cycle from NH AIM with paid date of 3/22*
  - *3/22 last financial cycle from NH AIM with paid date of 3/29*
- *Prepare for gap in regular claims payment for final weeks of March and early April*
- *Transition payments to certain providers issued*

April 2013

- *NH AIM System is retired – all system processing is transitioned to Enterprise MMIS*

HB 1012
1/15/13 AM
Attachment 3

Testimony
House Bill 1012 – Department of Human Services
House Appropriations
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee, Human Resources Division, I am JoAnne Hoesel of the Department of Human Services. I am here today to provide you an overview of Division of Children and Family Services (Division) for the Department of Human Services.

This Division provides leadership for the child welfare system in North Dakota.

Programs

- **Child Protective Services (CPS)**: provides protection for children who have been or are at risk of being neglected and/or abused. Services provided include child protection assessments, case management, child fatality review, institutional child protection services, and child abuse and neglect prevention programs.

- **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 team decision making, family group conferencing, and safety/permanency funds to prevent placement. This program places emphasis on preventing removal of children from their homes.

- **Foster Care Services**: provides a substitute temporary living environment for children who cannot safely remain with their families. Services include recruitment and retention of foster homes, and

licensing and placement services for relative homes, family foster homes, group homes, residential child care facilities and licensed child placing agencies. This also includes foster care eligibility determination and payment, case planning and reviews, subsidized guardianship, and Interstate Compact on the Placement of Children, and services for Unaccompanied Minors. In addition, foster care offers Chafee Independent Living services to youth ages 16 to 21 to assist with assessment, skill building, employment training, and education 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 (adoption related), licensure of Maternity Homes, and the Interstate Compact on the Placement of Children for Adoption.

- **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 with other early childhood stakeholders and agencies through the Head Start State Collaboration Office.

Direct services are provided either by the county social service agencies or through contracts with non-profit providers with a focus on the safety, permanency, and well-being of children and their families.

Caseloads/Customer Base

During Federal Fiscal year (FFY) 2012, there were 3,761 completed, full CPS Assessments.

The number of **Child Abuse and Neglect** assessments completed for federal fiscal year (FFY) 2012 was 3,761, a decrease of 37 from FFY 2011.

Family Group Decision Making (FGDM) is available in all county social service agencies and the Division of Juvenile Services. This service brings family members and other community and agency support people to the table to develop a permanency plan for children who are either in foster care, at risk of being placed in foster care, or being cared for by their extended family. This also brings significant people in the lives of children together to discuss how to maintain and build family connections. A total of 102 FGDM conferences were completed from May 2011 to June 2012.

Family Team Decision Making (FTDM) is currently provided in Burleigh/Morton, Cass, and Grand Forks county social service agencies. FTDM provides an opportunity either immediately prior to placement or immediately upon removal of a child to bring families, community supports and agency personnel to the table with a neutral facilitator to make plans and seek opportunities and resources to maintain child safety and reduce the need for removal. This differs from FGDM in that it is an expedited process that happens more quickly to address emergent issues such as emergency removals. FTDM has proven to be a promising practice with positive outcomes targeted at reducing foster care placements by keeping children safely in their home or with relatives and enhancing the engagement of parents in protecting and maintaining relationships with their children. A total of 149 FTDM conferences were held from May 2011 to June 2012. In 58 percent of the FTDM conferences, the planned outcome was that the child

would remain with the parent or live with a relative rather than go into a foster care placement.

The number of children in **foster care** on September 30, 2012, was 1,018 in comparison to the number of children in foster care on September 30, 2011, which was 1,107. Approximately 30 percent of these children were Native American.

The number of children, as of November 2012, placed in **out-of-state Residential Child Care Facilities (RCCF) and Psychiatric Residential Treatment Facilities (PRTF) was 50**. This number is an increase from 2011 when the number was 48.

Preliminary findings show the number of youth who participated or are participating in the **18+ Continued Foster Care** program since January 2012 is approximately 30. As per program eligibility requirements, these youth were all age 18 or older who either chose to remain in foster care or to return to foster care within six months from their last discharge date.

The number of current and former foster care youth who received **Chafee Independent Living** services in FFY 2012 was 415. Over 75 percent (309) of the youth participants were Foster Care Alumni (youth who had exited or aged out of foster care and youth still in care who are likely to age out of foster care).

The number of foster children gaining permanency through **adoption** has increased over the last three years, and this trend is projected to continue through the 2013 to 2015 biennium. Of the 127 finalized public agency adoptions in FFY 2012, 125 (98.4 percent) were special needs adoptions with 92 (72.4 percent) of these children adopted by foster parents.

The number of **subsidized guardianships** approved as of November 2012 was 62. This compares to 58 subsidized guardianships approved in November 2011.

The **Refugee Services Program** presently has 33 youth receiving foster care services as unaccompanied minors. This number has remained steady since January 2011.

Program Trends/Major Program Changes

The Division continues to place an emphasis on safety, permanency, and well-being of children across all programs. **Foster care services** continue to see the most significant program changes in the Division. The *Child and Family Services Improvement and Innovation Act* (P.L. 112-34) was signed into law in September 2011, and a number of program changes resulted from this federal law:

- A workgroup on psychotropic drug use in the foster care population has been convened with representation from the Division, the Medical Services Division, the Division of Mental Health and Substance Abuse and Field Services. The workgroup is currently in the process of reviewing and developing protocols used to monitor the use of psychotropic medications for children in the foster care system.
- Since January 2012, North Dakota foster care agencies are required to assist foster children ages 16 and older in obtaining an annual copy of their consumer credit report from all three credit reporting agencies, interpreting the results, and resolving any inconsistencies. The intent of this law is to identify if the child has been subject to identity theft, as well as teach the child how to request and review a credit report, help the child understand the importance of having a credit check

completed, and position the child to continue this practice upon discharge from foster care.

Elements of the *Fostering Connections to Success and Increasing Adoptions Act of 2008* (P.L. 110-351) have been implemented in North Dakota during the past two years.

- States were allowed to opt into Title IV-E Federal reimbursement to assist youth who choose to remain in or return to foster care until they reach the age of 21. **18+ Continued Foster Care** was passed as SB 2192 last legislative session and has been operating in North Dakota since January 2012.

- States were requested to participate in the **National Youth in Transition Database (NYTD)** program in order to eliminate fiscal penalty of federal Chafee funding. Since October 2010, North Dakota has been documenting the number of independent living services provided to youth as well as tracking outcomes of identified foster care youth at ages 17, 19, and 21. North Dakota is currently in the second phase of NYTD surveying; and is collecting data from former foster care youth who are now age 19.

- Caseworkers are utilizing **Health Tracks Screenings** and Child and Family Team Meetings as a means to ensure continuity of health care services. The health screenings include a physical and mental health assessment.

The second Federal Child and Family Services Review (CFSR) was held in April 2008 in North Dakota. North Dakota did not reach "substantial conformity" (e.g. we did not pass). No state passed the federal CFSR. Therefore, all states must develop a **Performance Improvement Plan (PIP)** in negotiation with federal partners. While we were noted in this

recent round to have many strengths and a few challenges, our performance did require a PIP. The North Dakota PIP was formalized in June of 2010 and mostly completed in June of 2012. While the strategies employed to reach the PIP goals were implemented with great commitment, the work was disrupted by a series of statewide flooding challenges. These challenges did not cause us to abandon the work but clearly impacted our ability to create the change in the timeline given in our PIP. The federal government granted a one-year extension on the North Dakota PIP for this reason. In spite of these challenges, it is notable that North Dakota has met all the national data standards, a significant indicator of positive changes in practice outcomes for the state.

There continues to be significant challenges in the **availability of child care** across the state. There are currently 1,431 licensed early childhood programs in the state (Family 343, Group 821, Centers and Multiples 162, School-age 40, Preschool-age 65) with a licensed capacity of 31,520 children. The proportion of North Dakota mothers with children ages birth to five in the labor force was 77.5 percent. The proportion rises to 86.5 percent for mothers with older children ages 6 to 17 according to the 2010 Census. This has created a demand for assurances of safety in child care settings and the need to provide professional development opportunities for this large workforce and industry in North Dakota. Statewide, the availability of licensed child care meets only 37 percent of the potential demand, with the demand greater in certain areas of the state and for certain groups of children. According to Child Care Resource and Referral agencies across the nation, the goal is to have 50 percent licensed child care capacity. Because of this, there is continued need for a focus on recruitment and retention of early childhood service providers. This industry includes providers and staff members in both home-based and center-based care settings.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	$2,549,711	$2,655,868	$106,157
Operating	$5,744,630	$6,704,376	$959,746
Grants	$127,255,162	$139,046,013	$11,790,851
Total	$135,549,503	$148,406,257	$12,856,754
General Fund	$34,197,540	$40,289,617	$6,092,077
Federal Funds	$81,259,109	$85,393,250	$4,134,141
Other Funds	$20,092,854	$22,723,390	$2,630,536
Total	$135,549,503	$148,406,257	$12,856,754
FTE	17.0	17.0	0.0

The Salary and Wages line item increased by $106,157 and can be attributed to the following:

- $57,737 in total funds of which $31,958 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $51,255 in total funds of which $30,660 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining decrease of $2,835 is a combination of increases and decreases needed to sustain the salary of the 17 FTE in this area of the budget.

The Operating line item increased by $959,746 and is a combination of the increases expected next biennium, which are offset by decreases, with the majority of changes as follows:

- $102,832 increase in travel due to the Division conducting additional IV-E Tribal and state reviews, and additional county staff attending the CFS conference to ensure the safety, well-being, and permanence of children and families.
- $911,385 increase in operating fees and services with the majority being attributed to the Adults Adopting Special Needs Kids Services (AASK) contract, and a 4 percent inflationary increase for providers each year of the biennium.

The Grants line item increased by $11,790,851 which can be mainly attributed to the following:

- $2,734,088 increase in subsidized adoption due to cost and caseload increases, as well as a $1,405,697 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund increase of $1,996,913.
- $1,015,524 increase in foster care due to increases in cost which were offset by decreases in caseload, as well as a $4,054,297 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund decrease of $157,052.
- $413,543 increase for additional child abuse assessments, as well as a $394,868 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund increase of $808,411.
- $718,968 increase for County administration reimbursement for their efforts in administering the Division's programs.
- Attachment A lists all the grants and compares the cost and caseload of the 2011-2013 appropriation to the 2013-2015 budget.

The general fund request increased by $6,092,077 of which, $4,349,342 or 71.3 percent of the increase is due to the 4 percent provider inflationary increase each year of the biennium, and a decrease in the FMAP. The

remaining increase is associated with the changes in operating and grants as noted above.

This concludes my testimony on the 2013-2015 budget requests for CFS. I would be happy to answer any questions.

Children and Family Services
Attachment A

Listing of Major Grants:

Child Abuse & Prevention Activities	$ 2,200,000
Independent Living Programs	$ 1,100,000
Refugee Payments	$ 1,200,000
Child Care Licensing Payments to Counties	$ 800,000
Child Care Quality grants to nonprofit Agencies	$ 6,100,000
Child Abuse/Neglect Assessment Payments to Counties	$ 6,900,000
Reimbursement to Counties for Administration of Child Welfare Programs	$ 12,400,000
Family Preservation & Family Services Grants	$ 9,300,000
Training Child Welfare Professionals and Family Foster Parents	$ 1,900,000
Subsidized Adoption Grants	$ 24,300,000
Foster Care Maintenance, Services and Therapeutic	$ 71,700,000
Subsidized Guardianship Grants	$ 700,000
Other Foster Care Grants	$ 400,000

Cost & Caseload Comparison
2013-2015 Biennium
Compared to 2011-2013 Biennium

Description	2011-2013 Budgeted Avg Monthly Caseload	2013-2015 Budgeted Avg Monthly Caseload	Difference - Increase (Decrease)		2011-2013 Budgeted Avg Monthy Cost per Case	2013-2015 Budgeted Avg Monthy Cost per Case	Difference - Increase (Decrease)
Therapeutic Foster Care	245	207	(38)		1,080.65	996.78	(83.87)
Services Foster Care	217	177	(40)		688.51	718.98	30.47
Foster Care - Family Homes	598	620	22		1,705.39	1,759.25	53.86
Foster Care - RCCF & GH	265	254	(11)		5,235.67	6,318.85	1,083.18
Subsidized Adoptions	1,073	1,199	126		785.11	846.14	61.03

HB 1012
1/15/13 AM
Attachment 4

Testimony
House Bill 1012 – Department of Human Services
House Appropriations - Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee - Human Resources Division, I am JoAnne Hoesel, Director of the Division of Mental Health and Substance Abuse Services (Division) of the Department of Human Services (DHS). I am here today to provide you an overview of the Division.

Programs

The Division promotes the use of best practices and ensures quality care through the service delivery system for North Dakota families who have struggled or are struggling with mental health and/or addiction disorders. This Division is the single state authority responsible for overseeing a statewide network of substance abuse and mental health treatment, recovery support services, mental health promotion, and substance abuse prevention services. This translates into licensing, training, development, and implementation of appropriate mental health and substance abuse services throughout the state. The Division writes the combined federal block grant applications for mental health, substance abuse treatment, and substance use prevention, monitors the grant activities for compliance, and reports on challenges, accomplishments, and client and program outcomes.

The Division manages the traumatic brain injury (TBI) efforts, community-based high-risk sex offender treatment, problem

gambling treatment, the contract for long-term residential treatment services for individuals addicted to methamphetamine and other controlled substances, and licenses psychiatric residential treatment centers and regional human service centers. As division director, I chair the Governor's Prevention Advisory Council on Alcohol and Drugs and the Autism Spectrum Disorder Task Force. The Division provides prevention specialist services to targeted communities, implements population-focused prevention strategies, and offers a clearinghouse of prevention materials on substance abuse.

Customer Base

The Division licensed 84 substance abuse treatment programs (an increase of three programs since last biennium), 44 DUI education programs (an increase of seven programs), eight regional human service centers, and six psychiatric residential treatment facilities for children and adolescents.

Program Trends/Major Program Changes

Alcohol and other drug use

Using 2005 as the baseline year, alcohol continued to be the primary substance reported through 2011 by those in treatment. There is evidence that alcohol use and abuse is generational in North Dakota. Children and young adults are following the example of the state's adults who use and abuse alcohol at rates that are high relative to other states. North Dakota children and young adults, who are not of legal drinking age, engage in recent and binge alcohol use at elevated frequency (SAMHSA, 2011). Further, North Dakota students grades 9-

12 are substantially more likely than their U.S. counterparts to have recently driven a vehicle after consuming alcohol (Youth Risk Behavior Survey, YRBS, 2011).

In Calendar Year (CY) 2011, the ranking for the primary drugs of addiction for those in treatment at the regional human service centers was: alcohol, marijuana, followed by opioids and methamphetamine close in 3rd and 4th place. In CY 2010 opioids (prescription pain medications) were in third place followed by methamphetamine.

Arrests in North Dakota associated with illicit drug use have increased by 13.8 percent from 2,339 in 2010 to 2,662 in 2011.

Methamphetamine continues to be a problem in North Dakota, but to a lesser extent than in 2005. In recent years, meth lab incidents have been drastically reduced (236 in 2004 to 8 in 2011). This state ranking reflects regional trends except for Northwest, Southeast, and Badlands regions, where methamphetamine was in third place and opioids in fourth (2011).

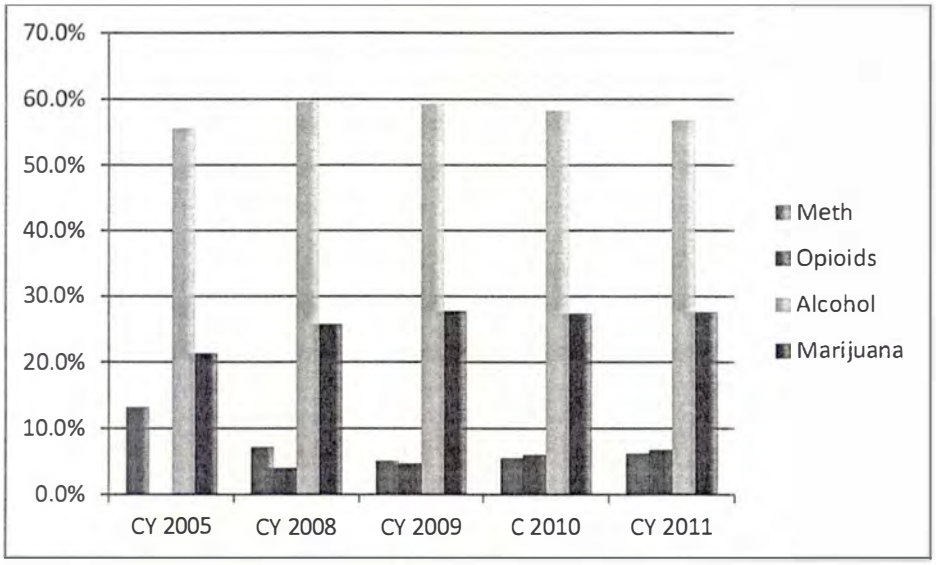


Table 1: Primary Substances Reported At Admission –State Data

Severe Behaviors of Youth

Children and youth, in the human service system, have presented increasingly difficult and challenging behaviors over the past years. DHS has noted a pattern of youth experiencing multiple out-of-home placements. Of the youth in out-of-state treatment facilities in October 2012, 21 youth had four in-state treatment placements prior to their current out-of-state placement. Studies show that children who experience behavior-related placement changes receive double the outpatient mental health visits than children who experience placement changes for other reasons. The number of previous out-of-home placements tends to be higher with increased levels of psychiatric symptoms and can be used to predict treatment response. Placement changes affect the well-being of children putting them at heightened risk for poor outcomes. Therefore, accurate assessment of a child's need and risk in relation to caregiver capacities is critical. (Child Welfare: Journal of Policy, Vol. 84; Mental Health Services Research 2004, Vol. 6)

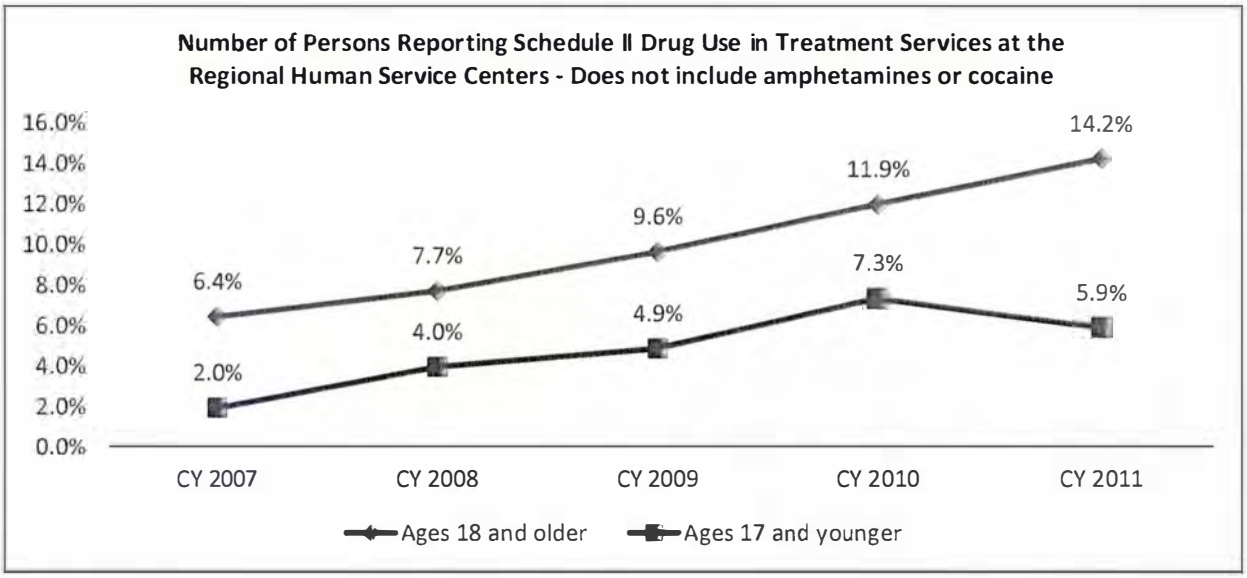
As a multi-divisional effort, DHS is implementing strategies to lower the number of multiple placements for youth. One major strategy this Division has implemented, in two Psychiatric Residential Treatment Facilities (PRTF), is the community-based standards (CbS), a continuous quality improvement process. Due to the positive results, the remaining facilities will implement this improvement process during the upcoming biennium. This process provides facilities with information on strengths and identifies areas needing attention. Technical assistance and training opportunities are included. The Division will provide

targeted training on proven methods to manage and decrease aggressive behaviors, which often lead to multiple placements.

Prescription Drug Abuse

While opioids have been used for decades to treat chronic pain, concerns about prescription opioid abuse have increased recently. The trend for abuse of prescription drug pain relievers and use of heroin (both opioids) in North Dakota continues to rise. Treatment admissions for primary abuse of prescription pain relievers have increased. Furthermore, the number of unintentional overdose deaths from prescription pain relievers has quadrupled in the U.S. since 1999.

There is a high rate of relapse for opiate addiction. Due to the problematic and dangerous detoxification process, one year after stopping opioids, there is an 85 percent chance of relapse. Fortunately, there are three medications that are highly effective in reducing the rate of opioid addiction relapse. Buprenorphine, already used by physicians in North Dakota, along with the other two medications, Methadone and Naltrexone, will increase successful treatment options for opioid addiction in the state. Their use will also address the need of individuals from other states moving here already on these treatment medications but having few options in North Dakota. The Department has introduced House Bill 1101 which gives the Department the authority to license opioid treatment programs.



Prescription Drug Abuse (continued)

- **1 in 6** North Dakota high school students (16.7 percent) reported taking prescription drugs without a doctor's prescription in 2011 (N.D. Youth Risk Behavior Survey (YRBS), 2011)
- **11 percent** of all substance abuse evaluations referred to treatment in North Dakota involved prescription drug abuse (Treatment Episode Data Set (TEDS), 2009-2011)
- **4.7 percent** of middle school students have used prescription drugs without a prescription (YRBS, 2011)
- **71 percent** of people who abuse prescription pain relievers obtain them from a friend or relative (National Survey on Drug Use and Health (NSDUH) national findings, 2010)

In North Dakota, unintentional poisonings from pain relievers, sedatives, antidepressants, and narcotics, were the fourth leading cause of injury-related mortality from 2004 to 2008 (ND Division of Injury Prevention and Control, 2011). According to federal vital

records, the total number of unintentional poisoning deaths in North Dakota substantially increased over the years to its highest total of 46 deaths in 2008 (CDC Wonder, 2012).

Due to this information, prevention efforts areas are focusing on raising awareness of prescription drug abuse and decreasing access. See Attachment A. The Division director also formed a multi-agency workgroup to develop a comprehensive strategy for this issue.

Peer Support

Peer support specialists are individuals in recovery from mental illness who draw upon their experiences to help their peers move forward in their personal recovery. Because of their life experience, such persons have expertise that professional training cannot replicate.

Peer support specialists engage with peers in the regional recovery centers, through community activities, or over the telephone. They work with individuals one-on-one and in group settings. Peer support specialists complete a training and certification process prior to providing services. When provided in addition to traditional mental health services, most studies show peer support improves psychological outcomes such as empowerment. Studies also show improvement in clinical outcomes, such as reduced hospitalization, beyond what is attributable to only traditional mental health services.

The Department is implementing a tiered treatment and support approach for those with serious mental illness where services, including peer support, are assigned based on the level of

functioning of the person. This will allow better alignment of services and extends current resources to more individuals.

Prevention

Prevention specialists provide training and technical assistance regarding substance abuse prevention. They provide strategies for media, enforcement, access, policy, environment, and community-based approaches. The targeted-community program focuses on prevention efforts at the community level. The following communities have participated in the program since 2010:

- Bottineau County
- Foster County
- McKenzie County
- Minot
- Mohall-Lansford-Sherwood School District

The Division contracts with tribes and local tribal agencies to provide culturally appropriate technical assistance and resources to schools, law enforcement, tribal health programs, and other persons or groups interested in prevention. These programs work cooperatively with the Tribal Tobacco Prevention Program.

Fidelity Reviews

A key factor in the provision of best practices is to deliver them in the manner intended and in the manner that resulted in positive research outcomes. The Division monitors programs through fidelity reviews to determine the degree of compliance and need for training. Fidelity reviews were completed in the fall of 2012 at

seven human service centers to determine if their delivery of the MATRIX model for individuals addicted to methamphetamine or having other chronic addictions was being done according to best practice guidelines. The MATRIX institute recognized six of the seven centers for excellence and received three-year certification with the highest possible degree of fidelity. The seventh center received a two- year certification with fidelity. Another practice review in the area of dual disorders resulted in Southeast Human Service Center receiving a national award for excellence.

Trauma

There are significant differences in mental health outcomes based on the type of trauma experienced.

The physical trauma of traumatic brain injury (TBI) is one of the leading causes of death and life-long disability. The impact of TBI on the person and family caregivers is significant and long-term, such that many persons with TBI require continuing support and care in various aspects of their lives many years after the injury. Family caregivers also require ongoing support. Mental illness is one aspect that greatly impacts the lives of these people.

The TBI screening tool was implemented at all regional human service centers in March 2011. The Ohio State University TBI Identification Method—Short Form is used to collect data about TBIs (Corrigan, J.D., & Bogner, J. (2007). All individuals applying for services are screened as part of the intake process unless the individual is in need of services only for a developmental disability. The purpose of the screening is to identify individuals who have sustained a TBI, but more importantly, to assist staff and clients in determining appropriate treatment strategies

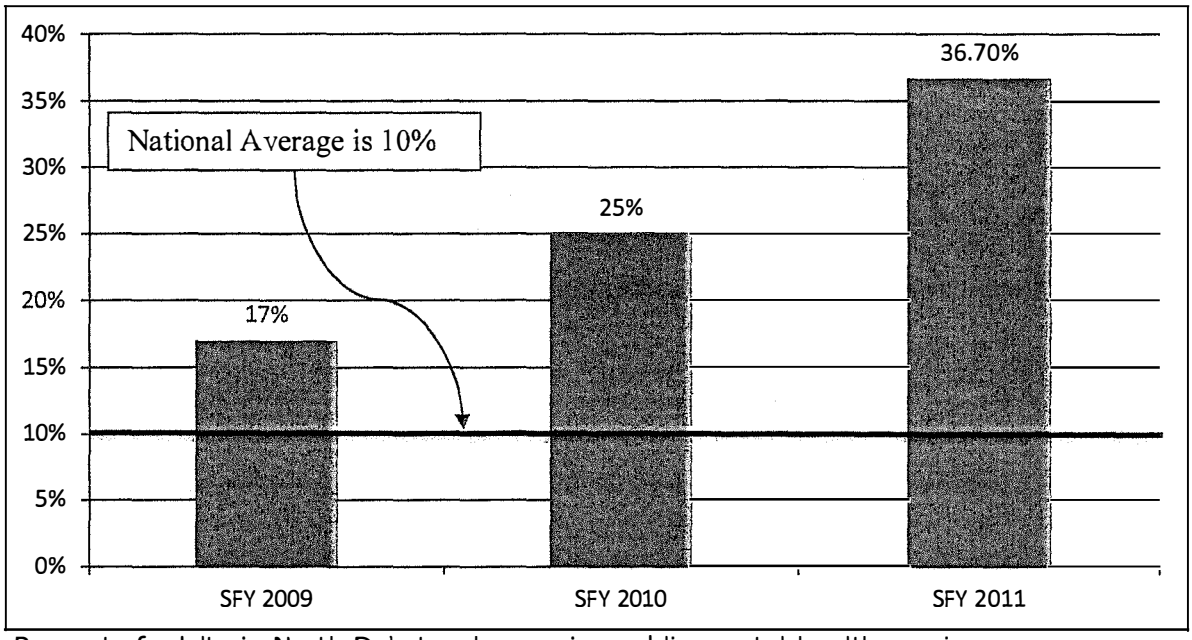
and goals that lead to more positive client outcomes. Services can then be provided with a much clearer understanding of each client's level of functioning.

Individuals identified as having a TBI are provided with information about community services specifically for social/recreational services, pre-vocational skills services and mentoring, home and community-based services, informal supports, and peer mentoring services. There may be instances when a client may need a referral for further evaluation and other services. If an individual has moderate to serious difficulty with cognitive functioning, behavioral and emotional difficulties and has not ever had a neuropsychological evaluation, human service staff may make a referral. A neuropsychological assessment provides the individual and other service providers with important details about the extent of brain damage and what particular areas of the brain were damaged. More importantly, the assessment provides valuable information about the individual's behavior, cognitive functioning, emotional health, and recommended interventions and treatment. From March 14, 2011, to March 22, 2012, 13,683 screens were completed. Of these, there were 4,882 positive screens or 35 percent.

Extended Services

The national unemployment rate for people with serious mental illnesses hovers at 90 percent. The goal of Extended Services is to positively impact employment outcomes for North Dakotans. Two strategies were implemented this biennium. One was to strengthen and enhance North Dakota's Extended Services program for individuals with serious mental illness (SMI), utilizing the Substance Abuse and Mental Health Services Administration (SAMHSA) evidence-based

practice model for supported employment. Secondly, a targeted effort was implemented between January and September 2012 that focused on providing personalized benefits counseling and training on job seeking skills. This helped people understand how employment could affect public benefits and helped people find employment. To allow for continued use, an E-learning module was developed. This efficient web-based tool allows for wide-spread and ongoing education. Specialists provided 100 one-on-one coaching sessions to 43 individuals, as well as eight group coaching sessions to 91 individuals with SMI. Participants used what they learned to successfully gain employment and the self-confidence needed to pursue employment.



Percent of adults in North Dakota who receive public mental health services, are diagnosed with a serious mental illness, and are employed.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / (Decrease)
Salary and Wages	2,565,400	2,655,235	89,835
Operating	12,807,494	18,943,515	6,136,021
Grants	3,156,502	1,613,440	(1,543,062)
Total	18,529,396	23,212,190	4,682,794
General Funds	6,379,168	7,872,760	1,493,592
Federal Funds	11,579,368	14,768,570	3,189,202
Other Funds	570,860	570,860	0
Total	18,529,396	23,212,190	4,682,794

FTE	17.00	17.00	-

The Salary and Wages line item increased by $89,835 and can be attributed to the following:

- $57,878 in total funds, of which $56,144 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $55,776 in total funds, of which $15,467 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $47,124, increase of which $6,900 is general fund to add a temporary position for the peer support program.
- The remaining $70,943 decrease is a combination of increases and decreases needed to sustain the salary and benefits of the 17 FTEs in this area of the budget.

The Operating line item increased by $6,136,021 and is a combination of the increases and decreases expected next biennium. The majority

of the increase is due to the changes in operating fees and services as follows:

- An increase of $4,483,289, all federal, due to the Strategic Prevention Framework State Incentive Grant, which was new in 2011-2013 and is being carried forward to the 2013-2015 biennium.
- $313,883 increase all of which is general fund dollars for community-based high-risk sex offender treatment.
- $300,000 increase all of which is general fund dollars for the peer support program.
- $320,000 increase all of which is general fund for facilitators to act as a resource for TBI patients so they can access appropriate care timely.
- $150,000 increase all of which is general fund for 2-1-1 services.
- $316,861 increase all of which is general fund, for contracted provider inflationary increases.
- Decrease of $112,872 due to the end of Enforcing Underage Drinking Laws money from the federal government.
- $240,000 decrease due to the end of the Safe and Drug Free Schools funding from the federal government.
- Increase of $288,564 for the State Outcome Measure and Management from the Strategic Prevention Framework State Incentive Grant carry forward.

The Grants line item decreased by $1,543,062 and can be attributed to the following:

- Decrease of $400,000 due to the end of Enforcing Underage Drinking Laws funding from the federal government.

- Decrease of $1,022,857 due to not receiving TBI funding from the federal government. The authority was included in the 2011-2013 budget but there was no federal award.

This concludes my testimony on the 2013–2015 budget request for Mental Health Substance Abuse Division of the Department. I would be happy to answer any questions.

Prescription drug abuse is a growing problem.
you Lock these...
why not these?
www.nd.gov/dhs/prevention

71% OF PEOPLE WHO ABUSE PRESCRIPTION PAIN RELIEVERS OBTAIN THEM FROM A FRIEND OR RELATIVE (NSDUH NATIONAL FINDINGS, 2010).

Protect yourself and those around you.

LOCK your meds.

Deposit unused meds in the **Take Back** container located at participating sheriffs' offices and police departments.

Drug Take Back Program

Sponsored by the North Dakota Attorney General

Find locations here:

ag.nd.gov/PDrugs/TakeBackProgram.htm

Name

Address Date

Rx

- Keep track of your meds.
- Store your meds in a secure and dry place.
- Keep your meds out of sight.

MD

Signature

HB 1012
1/15/13 AM
Attachment 5

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations – Human Resources Division, I am Russell Cusack, Director of Vocational Rehabilitation for the Department of Human Services. I am here today to provide an overview of programs and services that make up the budget request for the Vocational Rehabilitation Division for the Department.

Programs

The Vocational Rehabilitation Division contains two units: Vocational Rehabilitation and Disability Determination Services.

The Vocational Rehabilitation (VR) unit is made up of 10 FTEs responsible for the administration of Titles I, VI and VII of the Rehabilitation Act as amended. The staff is responsible for the needs assessment, staff training, state plan development and outcome monitoring, policy development, quality assurance, oversight of expenditure of federal VR funds, and compliance with federal rules. To carry out these responsibilities, VR policy staff interact regularly with the VR staff located at the human service centers, and with community businesses, schools and universities, Job Service North Dakota, the State Rehabilitation 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 U.S. Department of Education and Rehabilitation Services Administration (RSA), along with the required state general fund match. The federal portion of the funding is nearly

79 percent, and the state general fund match comprises approximately 21 percent of the budget.

In addition, VR has other federally funded programs that contribute toward our mission of independence and employment for persons with disabilities, such as:

- **Older Blind Program** which provides vision rehabilitation services to people at least age 55 who are blind or visually impaired. The primary mission of the Older Blind Program is to teach older blind individuals skills that allow them to remain in their own homes.
- The Division contracts with the **Interagency Program for Assistive Technology (IPAT)**. IPAT provides assessment, training, and lending services to individuals with disabilities. Many of the assistive devices IPAT recommends or loans to individuals are at low-cost, but make a significant difference in individual's activities in learning, working, and remaining independent in their own homes.

The Disability Determination Services (DDS) unit includes 24 FTEs responsible for individual eligibility determination for Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) statewide. DDS determines medical eligibility for individuals who have filed for disability benefits with the Social Security Administration (SSA). The funding for DDS is 100 percent federal funds.

Caseload/Customer Base

Vocational Rehabilitation – Federal Fiscal Year (FFY) 2012

- 5,852 individuals received employment services through VR.
- 18,170 individuals received independent living services.
- 921 individuals were served through the Older Blind Program.
- 143 clients is the average caseload size for a VR counselor.

Disability Determination Services

- 6,376 eligibility determinations were made for SSDI/SSI benefits.

Program Trends/Major Program Changes

The VR program has experienced level federal funding while program costs have risen, especially in higher education and training expenses. After consultation with the federal RSA, the Department implemented an Order of Selection in March 2012. Order of Selection is described in federal regulation as a method to manage the Division's fiscal resources when there are not sufficient funds to serve all eligible individuals. In March 2012, there were 2,558 clients participating in the VR program. These individuals continue to receive services; however, the amount of the Division's financial participation in some instances has changed. Individuals that applied or had been determined eligible but who did not have a current Individualized Employment Plan were placed on a wait list. The method the Division is using to manage the wait list is based on a federally approved priority category process. Federal law and state regulations require that the individuals with the most significant disabilities be served first. VR has three priority categories:

- Priority Category I - Individuals with the most significant disabilities
- Priority Category II - Individuals with significant disabilities
- Priority Category III - Other individuals with disabilities

In addition to implementing Order of Selection, the Division has reviewed VR policy and has made changes to ensure available funds can be used most effectively and to positively impact the greatest number of people.

In December 2012, the Division began serving some individuals previously placed on the Order of Selection wait list.

The Department will continue to review expenditures, funding, and projected costs monthly to determine the rate at which individuals can be brought off the wait list.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
Salary and Wages	5,081,094	5,113,253	32,159
Operating	2,042,686	1,967,791	(74,895)
Grants	20,735,802	18,404,405	(2,331,397)
Total	27,859,582	25,485,449	(2,374,133)
General Fund	5,027,758	5,462,185	434,427
Federal Funds	22,736,824	19,938,264	(2,798,560)
Other Funds	95,000	85,000	(10,000)
Total	27,859,582	25,485,449	(2,374,133)
FTE	34.00	34.00	0.00

The Salary and Wages line item increased by $32,159 and can be attributed to the following:

- $113,136 in total funds, of which $7,670 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $106,184 in total funds, of which $12,089 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $22,290 in total funds, of which $4,748 is general fund to provide for the annual and sick leave lump sum payouts for two FTEs expected to retire in the 2013-2015 biennium.
- $205,451 decrease in total funds due to the elimination of temporary employee positions.

- $4,000 decrease in total funds is a combination of increases and decreases needed to sustain the salary of the 34 FTEs in this area of the budget.

The Operating line item decreased by $74,895 (3.7 percent), and the majority of the changes can be attributed to the following:

- Decrease of $33,675 in medical consultant contracts for DDS to complete the number of disability claims required by the federal Social Security Administration due to the implementation of a new payment rate schedule.
- Decrease of $108,890 in one-time equipment purchases of office furnishings and touch-screen systems for regional offices.
- Decrease of $117,972 in operating fees and services, which is comprised of reductions due to the end of a media outreach contract and increases in additional contracts for motivational training and the revision of informational DVDs.
- Increase of $100,019 in travel related to required federal meetings and additional training for regional staff related to the new case management system.
- Increase of $46,442 in printing for the updating of consumer information packets.
- Increase of $26,995 in postage for the mailing of DDS client records to the federal Social Security Administration.
- Increase of $15,499 for professional development activities for counselors working on a master's degree program. A master's degree is required to meet the Qualified Rehabilitation Professional (QRP) standards. Colleges have less grant funds available for tuition costs.

The Grants line item decreased by $2,331,397 (11.2 percent) and can be attributed to the following:

- Increase of $175,075 reflects a full biennium contract with Protection and Advocacy Project to provide Client Assistance Program services to consumers.
- Increase of $800,000 for the Centers for Independent Living to provide services to consumers.
- Increase of $866,900 for DDS payments due to the increase in the volume of claims.
- Decrease of $4,074,814 in client services due to program changes made in conjunction with the Order of Selection and to make sure client service grants are sustainable within the annual federal funding allotment.
- Decrease of $98,558 related to reductions in various contracts.

This concludes my testimony on the 2013–2015 budget request for the Vocational Rehabilitation Division of the Department. I would be happy to answer any questions.

HB 1012
1/15/13 AM
Attachment 6

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resource Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee - Human Resource Division, I am Tina Bay, Director of the Developmental Disabilities Division of the Department of Human Services. I am here today to provide you an overview of the Developmental Disabilities Division, for the Department of Human Services (Department). I will provide a separate overview of the Long Term Care Developmental Disabilities Grants under separate testimony.

Programs

The Developmental Disabilities Division (Division) is made up of 10 FTEs who are responsible for staff training, policy development, quality assurance, compliance with federal oversight agency rules, and the implementation and ongoing monitoring functions relating to the Medicaid Home and Community-Based waivers, as well as children who are at risk of developmental delays.

Division staff interact regularly with the developmental disability staff at the regional human service centers and the Developmental Center, federal agency representatives, school system personnel, university representatives, consumer advocates, families, and a variety of public and private entities that play a vital role in the delivery system and monitoring of services.

Caseload/Customer Base

In state fiscal year (SFY) 2012, 5,881 consumers received developmental disability program management through the eight regional human service centers, and 8,287 Right Track screenings were completed for infants and toddlers ages birth to three years of age at risk for developmental delays.

In addition, 414 consumers were served through Catholic Charities Corporate Guardianship services for SFY 2012. However, in March 2012, Catholic Charities began a waiting list because they were unable to serve more consumers with the funding available.

Program Trends/Major Program Changes

During the 2011 Legislative Session, Senate Bill 2043 directed the Department, in conjunction with developmental disabilities service providers, to develop a prospective or related payment system with an independent rate model utilizing the Support Intensity Scale (SIS). The Division has contracted with JVGA to develop the rate structure. The Division also has contracted with American Association on Intellectual and Developmental Disabilities (AAIDD) to access the SIS, and with the Rushmore Group to complete the SIS assessments on consumers throughout the state. The Department will continue this work into the 2013-2015 biennium and expects to implement the new rate structure in the later part of the 2013-2015 biennium.

The Centers for Medicare and Medicaid Services (CMS) has placed greater emphasis on providing evidence of compliance with the health and welfare assurances required in the Medicaid waivers. In addition, CMS is requiring more state reporting and more state oversight of providers.

We continue to see an increase in the utilization of self-directed services. These services allow consumers and families to hire their own staff to provide in-home supports, environmental supports/modifications, equipment and supplies, and transportation.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	1,384,336	1,569,954	185,618
Operating	9,147,505	9,179,536	32,031
Grants	438,207	242,327	(195,880)
Total	10,970,048	10,991,817	21,769
General Fund	4,058,095	4,902,711	844,616
Federal Funds	6,761,950	6,089,106	(672,844)
Other Funds	150,003	0	(150,003)
Total	10,970,048	10,991,817	21,769

FTE	10.00	10.00	0.00

The Salary and Wages line item increased by $185,618 and can be attributed to the following:

- $32,092 in total funds of which $15,173 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $54,662 in total funds of which $29,050 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $21,570 in total funds of which $10,198 is general fund needed to provide for the annual and sick leave lump sum payouts for two FTEs expected to retire in the 2013-2015 biennium.
- During the biennium, the Department recognized an increased need due to additional federal requirements from CMS and transferred an FTE from another area of the Department to accommodate this priority. This position resulted in an additional need of $79,611 in total funds for salary and fringes all of which are general fund.
- The remaining decrease of $2,317 includes a combination of increases and decreases to sustain the salary of 10 FTEs in this area of the budget.

The Operating line item increased by $32,031 and is a combination of the increases and decreases expected next biennium. Outlined below are the areas of change:

- Decrease in travel of $41,714, due to a decrease in Part C travel, which is offset slightly by travel for other areas.
- Decrease of supplies/material-professional of $13,000 for Part C, which is all federal funds.
- Decrease in other equipment under $5,000 of $150,000 for Part C, which is all federal funds.
- Decrease of printing of $20,176, of which $3,502 is general fund.
- Increase of $259,867 in operating fees and services. The increases and decreases are a combination of:
    - Decrease of $450,000 due to the reduction of American Recovery and Reinvestment Act (ARRA) funds, which is all federal funds.

- Decrease of $52,167 for other miscellaneous contracts, of which $32,862 is general fund.
- Increase of $330,719 for the Catholic Charities Corporate Guardianship contract for the four percent annual inflationary increase, for an increase in the number of consumers served from 414 to 444, and to fund the second year of the three percent inflationary increase for 24 months versus the 12 months that were contained in the current budget, all of which is from the general fund.
- $431,315 increase in the fiscal agent contract as the demand for self-directed supports continues to rise, of which $203,926 is general fund.

- Decrease of $2,946 in supplies, postage and other office administrative costs.

The Grants line item decreased by $195,880 mainly due to the following reason:

- Decrease of $200,000 for other miscellaneous Part C contracts, all of which is federal funds.

This concludes my testimony on the 2013–2015 budget request for the Developmental Disabilities Division. I would be happy to answer any questions.

HB 1012
1/15/13 AM
Attachment 7

Testimony
House Bill 1012 – Department of Human Services
House Appropriations - Human Resource Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee - Human Resource Division, I am Tina Bay, Director of the Developmental Disabilities Division (Division) of the Department of Human Services. I am here today to provide an overview of the Long-Term Care Developmental Disability Grants Budget, for the Department of Human Services.

Programs

The Developmental Disability Services grants are funded through the Medicaid State Plan, two Medicaid Home and Community-Based Waivers, Part C of Individuals with Disabilities Education Act (IDEA) and general fund.

Caseload/Customer Base

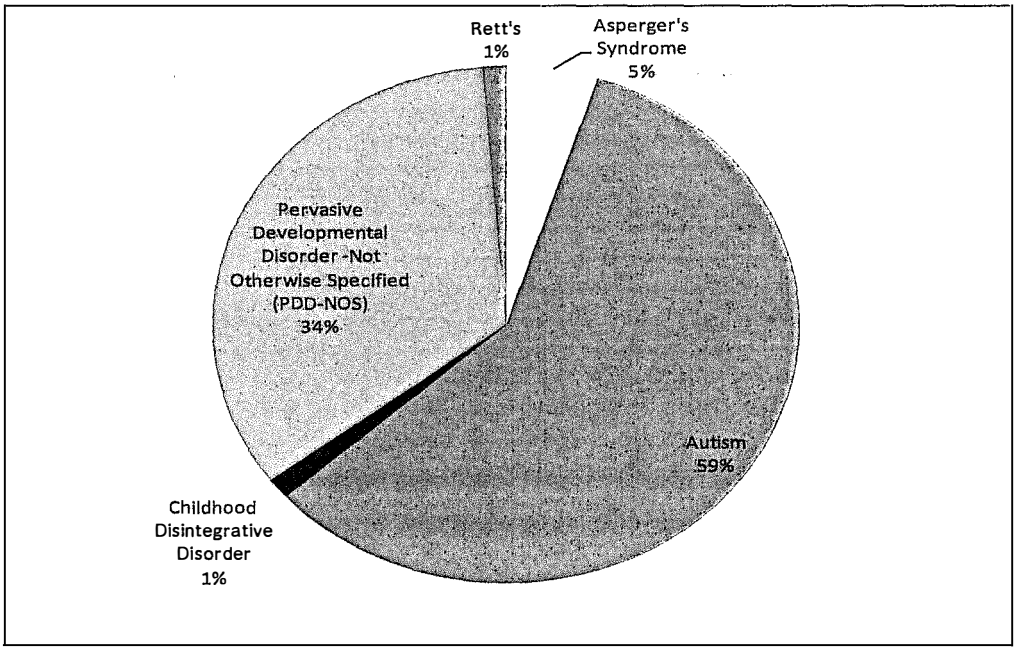
In state fiscal year (SFY) 2012, 5,881 consumers received developmental disability program management through the regional human service centers; 2,867 consumers received family support program services, including family subsidy, infant development, family support, parenting support and extended home health; 2,352 consumers received residential and/or day servicesl; and 825 consumers received self-directed support services, which enabled consumers and families to hire their own in-home support staff, and to access environmental supports/modifications, equipment and supplies, and transportation.

Program Trends/Major Program Changes

Autism

The Autism Waiver was approved by the Centers for Medicare and Medicaid Services (CMS) for three years (November 1, 2010 – October 31, 2013). The waiver has the capacity to annually serve 30 children ages birth through four years of age who have a confirmed diagnosis on the Autism spectrum. Although we served 29 children during the last waiver year (November 1, 2011 – October 31, 2012), there is a need to adjust the services based on what we have learned over the past two years. Therefore, we are currently working with stakeholders to determine the most desired and beneficial services and the appropriate age group for the upcoming renewal of this waiver.

In addition to the Autism Waiver, the Traditional ID/DD Home and Community-Based Waiver also serves consumers with a diagnosis on the Autism spectrum. For SFY 2012, a total of 779 consumers were served in this waiver. The following chart shows the percentage served by diagnosis.



Family Support, Self-Directed Services, and Infant Development

We continue to see an increase in the utilization of these services. These services allow consumers and families to have access to in-home supports through either a community provider or hiring their own staff, environmental supports/modifications, equipment and supplies, and also provide training to families.

Transitions

The Division continues to work with the regional human service centers and the developmental disability providers to transition consumers from the North Dakota State Hospital and the Developmental Center into community placements. Along with this effort, we continue to focus on supporting high need consumers in the community to prevent placements at the North Dakota State Hospital and the Developmental Center.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 – 2015 Budget	Increase/Decrease
Developmental Disability Grants	396,996,033	502,420,761	105,424,728
General Fund	174,231,307	247,016,261	72,784,954
Federal Funds	222,764,726	255,404,500	32,639,774
Other Funds			
Total	396,996,033	502,420,761	105,424,728

FTE	–	–	–

Attachment A provides a walk-through of the Developmental Disability Grants from the 2011-2013 appropriation to the 2013-2015 Executive Budget.

The majority of the caseload growth in the 2013-2015 budget is due to:

- 52 additional high school graduates expected to need services each year of the biennium,
- 10 transitions from the Developmental Center and State Hospital to the community,
- An increase of three consumers per month (72 for the biennium) for family support services,
- An increase of five children per month (120 for the biennium) for infant development services, and
- An increase of 58 consumers for self-directed services.

This concludes my testimony on the 2013–2015 budget request for the Developmental Disabilities Division. I would be happy to answer any questions.

North Dakota Department of Human Services
Changes in Developmental Disabilities from 2011-2013 Appropriation to 2013-2015 Budget To House

Attachment A

Service Description	**2011-2013 Appropriation**	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	LTC Staff & QSP Rate Increase 50¢	Children's ICF/ID	Personal Need Allowance $85 to $100	Total Changes	**2013-2015 Budget To House**
Family Subsidy	901,200	545,352	(1,030,116)		25,776				(458,988)	442,212
Intermediate Care Fac. for Intellectually Disabled	129,492,119	21,313,252	608,009		8,905,926	2,731,672	2,738,474	170,280	36,467,613	165,959,732
DD Home & Community Based Services	256,319,762	13,648,633	28,232,882	(16,407)	17,965,309	8,790,690			68,621,107	324,940,869
Autism Waiver	1,860,324	27,492			114,792	8,570	0	0	150,854	2,011,178
DD Funding Buckets ^	8,422,628	124,484			519,658				644,142	9,066,770
Total	**396,996,033**	**35,659,213**	**27,810,775**	**(16,407)**	**27,531,461**	**11,530,932**	**2,738,474**	**170,280**	**105,424,728**	**502,420,761**
General Funds	**174,231,307**	**15,904,580**	**11,312,523**	**24,750,876**	**13,549,494**	**5,743,574**	**1,438,782**	**85,125**	**72,784,954**	**247,016,261**

^ DD Funding Buckets represent enhanced funding for various critical needs provided to children and adults with disabilities.

HB 1012
1/15/13 - PM
Attachment 1

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services. I am here today to provide you an overview of the eight regional human service centers (HSCs) for the Department of Human Services (DHS).

Human Service Centers:

This area of the budget includes the eight regional HSCs, one in each of the geographical regions of the state.

The HSCs are a network of public outpatient clinics that serve individuals who, because of mental illness, addiction, or disability are at risk of harm or institutional placement. Their mission is to provide services that are accessible at the most appropriate and cost-effective level of care. The HSCs provide community safety net services for the state's most vulnerable citizens. The exact service mix is determined by specific needs of consumers in the region, resources of the HSCs, as well as other resources available within the region from private and other public providers. The DHS places a high value on alignment across the regions, operating as one system that shares resources as needs and demands shift.

Each HSC provides common core services as prescribed by DHS policy. Core services at the regional HSCs include the following:

- Aging Services
- Developmental Disabilities
- Vocational Rehabilitation
- Child Welfare Services
- Children's Mental Health
- Serious Mental Illness (Extended Care Coordination)
- Acute Clinical Services
- Substance Abuse Services
- Outpatient Sex Offender Treatment
- Crisis/Emergency Response Services

Services are provided within the clinic setting, rural outreach centers, client homes, or other community settings, and include 24-hour emergency services as well as follow-up services. The HSCs are also responsible for program supervision and regulatory oversight of the Child Welfare services provided by county social services.

Telemedicine and telepharmacy services are being provided in several rural areas of the state to improve client access, and the expansion of this capability is allowing the DHS more flexible use of medical staff resources across the state.

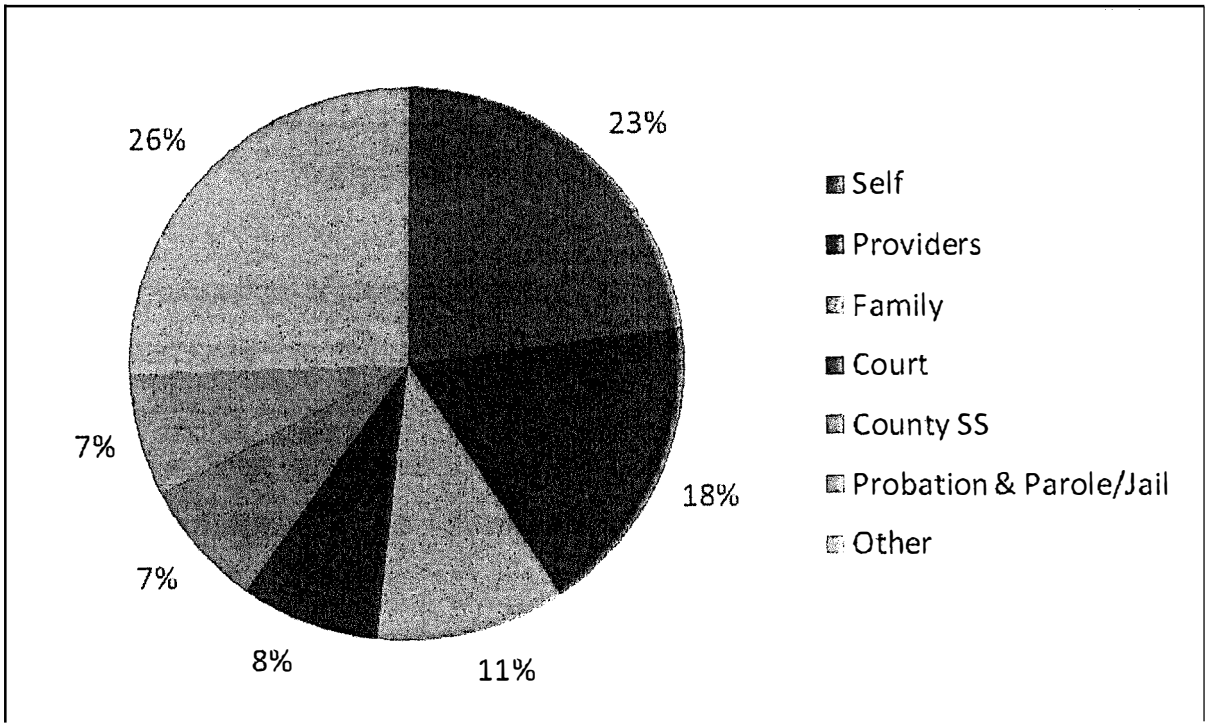
Caseload/Customer Base:

- The overall increase in clients, excluding Vocational Rehabilitation (VR), served at the regional HSCs from state fiscal year (SFY) 2008 through state fiscal year (SFY) 2011

grew by 2,690 clients. The HSCS saw a slight decrease of 541 clients from SFY 2011 to SFY 2012.

- In SFY 2012, approximately 23% of clients served were children and 77% were adults.

- Referral to HSC services came from the following in SFY 2012:



Program Trends/Major Program Changes:

- The DHS continues to monitor caseload trends and the impact on employees in the North Central, Northwest and Badlands regions of the state because of oil activity.

- The Southeast region is seeing an increased demand for services for individuals with intellectual disabilities, for partnership services

for children's mental health, and case management services for individuals with serious mental illness.

- DHS is adding 16 geriatric-psychiatric beds at the Prince of Peace Skilled Nursing Center in Ellendale to address the continued growth in this caseload. The Department will then have 32 beds at the Sheyenne Care Center and 16 beds at the Prince of Peace Center.

- DHS is piloting a Mobile Crisis Team in the Southeast region in a public/private partnership between DHS and Solutions Inc., to address crisis intervention needs in the region.

- DHS is contracting with Clay County's medical detoxification center to provide medical detoxification services for the Southeast region.

- DHS is addressing the needs of individuals with serious mental illness with a new and comprehensive case management system at the human service centers.

- DHS continues the roll out of the integrated dual disorder treatment program to the HSCs. The program is showing promising outcomes for people with chronic and persistent mental illness.

- DHS is continuing the funding of inpatient hospitalization contracts with private hospitals to serve individuals with serious mental illness from the HSCs.

The Field Services Executive Budget recommendation includes the following to address residential capacity issues:

- **Eight bed transitional living facility in the Devils Lake region:**

  This is a transition program for serious mentally ill individuals who need an intensive level of care, which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This service could also serve State Hospital patients and reduce hospital stays from this region.

- **Sixteen bed transitional living facility in the Southeast region:**

  This program would support individuals with serious mental illness and chronic addiction who need an intensive level of care which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care.

- **Crisis residential beds for serious mentally ill and chronically addicted clients in the West Central region:**

  The region has an increased need for short-term residential services and four additional beds are being requested to increase capacity from 10 beds to 14 beds. The region has people on the waiting list for these beds.

- **Long-Term Residential facility of 10 beds for clients with serious mental illness in the West Central region:**

  West Central's current eight bed long-term residential facility for individuals with serious mental illness is at 100% occupancy. There is typically a waiting list of seven clients. Some clients have been on a wait list for multiple years and have had prolonged stays at the region's transitional living facility as there are no other placement options. The plan is to contract for the additional 10 beds.

- **Expansion of the contract with St. Joseph's Hospital of Dickinson in the Badlands region for medical detoxification services:**

  The demand of the oil patch is increasing the utilization of this service.

Overview of Budget Changes – Human Service Centers Combined

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSCs / Institutions	163,277,043	175,632,844	12,355,801
General Funds	87,951,131	100,423,365	12,472,234
Federal Funds	67,368,735	66,103,549	(1,265,186)
Other Funds	7,957,177	9,105,930	1,148,753
Total	163,277,043	175,632,844	12,355,801

FTE	856.48	856.48	-

The major changes can be explained as follows:

- $2.8 million in total funds, of which $2 million is general fund needed to fund the Governor's benefit package of health and retirement package for state employees.

- $3.4 million in total funds, of which $2.28 million is general fund needed to fund the employee increases approved by the last legislative assembly.

- An increase of $1.1 million to cover an underfunding of salaries from the 2011–2013 budget, all general fund.

- A decrease of $1.84 million to underfund the 2013–2015 pay plan, all general fund.

- An increase of $868,000, of which $760,000 is general fund, for temporary and permanent staff in the areas of Developmental Disabilities Program Management, Serious Mentally Ill Case Management and Partnerships at Southeast Human Service Center due to increased client services demand.

- An overall increase of $406,000 for rental payments, which includes the following items: an increase of $455,000 due to a substantial increase in the rental rate for the Northwest Human Service Center; an increase of $61,000 for an increase in the rental rate for the West Central Human Service Center; and a decrease of $110,000 for rental space for the North Central and Badlands Human Service Centers.

- An increase of $735,000, with $685,000 in general fund, for the continuation of the year two 3% inflationary increase for providers and the long-term residential facility for a full 24 months versus the 18 months included in the 2011-2013 budget.

- $1.7 million increase, with $1.6 million in general fund, to allow for a 4 % inflationary increase for contracted providers each year of the biennium.

- Addresses the following residential capacity issues in various regions across the state.

    - Provides for an eight bed Transitional Living Program for those who are seriously mentally ill in the Devils Lake region at a cost of $730,000, of which $401,000 is general fund.

    - Provides for a 16-bed Transitional Living Program for those who are seriously mentally ill in the Southeast region at a cost of $1.3 million, of which $975,000 is general fund.

    - Provides for a 10-bed Long-Term Residential Program in the West Central region at a cost of $770,000, of which $408,000 is general fund.

    - Provides for four additional adult crisis beds in the West Central region at a cost of $324,000, all general fund.

- Provides for a $30,000 increase, all general fund, for medical detoxification contract services in the Badlands region.

The general fund increased by $2.63 million due to the decrease in the federal medical assistance percentage (FMAP).

This concludes my testimony on the 2013–2015 budget recommendation for the Field Services Division of the Department. I would be happy to answer any questions.

HB 1012
1/15/13 - PM
Attachment 2

Testimony
House Bill 1012 – Department of Human Services
House Appropriations-Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services. I am here today to provide you an overview of the One Center - North Dakota State Hospital and North Dakota Developmental Center for the Department of Human Services.

North Dakota State Hospital Programs:

The North Dakota State Hospital (NDSH) provides short-term acute inpatient psychiatric and substance abuse treatment, intermediate psycho-social rehabilitation services, forensic services, and safety net services for adults. Within this group of adult patients are offenders referred to the Tompkins Rehabilitation and Corrections Center by the Department of Corrections and Rehabilitation (DOCR) for residential addiction treatment services.

These patients are considered to be the traditional patient population of the NDSH.

The NDSH 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 NDSH.

North Dakota State Hospital Census:

The NDSH operates 289 beds.

The NDSH utilizes 90 of these beds to provide addiction services to 60 male and 30 female offenders in the Tompkins Rehabilitation and Corrections Center.

The NDSH utilizes 123 beds for acute inpatient and intermediate psycho-social rehabilitation services for the treatment of adults with serious and persistent mental illness and chemical addiction. Inpatient and psycho-social rehabilitation services were highly occupied from 2006 through 2008, with occupancy often running 95 percent to 100 percent and occasionally exceeding 100 percent. The major reasons for this high occupancy were the admission of first time patients, chronic patients awaiting referral to residential settings, and the increased need for treatment of patients with complex medical and psychiatric issues.

The inpatient psychiatric service during the past four years (2009–2012) saw an increase in total admissions and a decrease in average daily population. Average occupancy was 86 percent during the past four years, and this better aligns with the ratio of staff to patients because the NDSH staffs patient units for 85 percent occupancy.

The decrease in occupancy can be attributed to increased community service options, treatment in local psychiatric inpatient facilities, and more discharge options for chronic patients.

The Tompkins Rehabilitation and Corrections Center and the Inpatient Psychiatric Service admissions and average daily population data is outlined in Attachments A (1) and (2).

The NDSH operates 76 beds in the secure services unit (sex offender program), and at the end of 2012 had an occupancy of 65 patients, 6 patients currently on definite leave at the DOCR and 11 patients in evaluation status. The NDSH also operates a Transitional Living Home on the campus for sex offenders in the late stages of their commitment to the program.

The census data on the sex offender population is outlined in Attachment B.

In summary, the Executive Budget recommendation for the NDSH is for a total capacity of 289 patients. The breakdown by program includes: 90 beds in the Tompkins Rehabilitation and Corrections Center, 76 beds in the Secure Services Unit (sex offender program,) and 123 beds for inpatient psychiatric services.

Major Program Changes/Trends:

Hospital admissions and average daily population are driven by several factors:

- The NDSH is the primary inpatient facility for the Jamestown, Devils Lake, Dickinson, and Williston regions.

- The contract with the DOCR for addiction treatment services.

- Individuals with intellectual disabilities are being referred because of major behavioral and psychiatric issues.

- An increase in forensic evaluations and admissions.

- An increase in acuity of patients as 50% of inpatient admissions require acute detoxification and/or addiction services and the typical psychiatric patient is severely ill with the potential for violence or suicide, which does not abate within a few days of hospitalization.

- Fifty-Six percent of the NDSH admissions come from the South Central (36 percent) and Southeast (20 percent) regions of the state.

- Secure Services had its first discharge in 2008, and 18 individuals have been discharged from the sex offender program to date. (Two returned to prison, and one to the sex offender program.)

Overview of Budget Changes in Traditional Services:

Description	2011-2013 Budget	2013 - 2015 Budget	Increase/ Decrease
Institutions	62,674,383	62,362,960	(311,423)
General Fund	42,527,980	43,108,797	580,817
Federal Funds	2,609,783	1,779,491	(830,292)
Other Funds	17,536,620	17,474,672	(61,948)
Total	62,674,383	62,362,960	(311,423)
FTE	371.83	369.77	(2.06)

Budget Changes from Current Budget to Executive Budget:

The overall budget decreased by $311,423 and can be mainly attributed to the following:

- $1,176,457 in total funds, of which $1,131,750 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $1,047,147 in total funds, of which $993,046 is general fund needed to fund employee increases approved by the last Legislative Assembly.

- A decrease of $46,383 due to the salary underfund of $843,369 for 2013-15 being larger than the current underfund.

- An increase of $402,145 due to shift differential and overtime for Secure Services being budgeted in the traditional budget for 2013-15.

- A decrease of $810,563 due to the elimination of the inpatient child and adolescent program at the State Hospital.

- A decrease in temporary salaries of $90,266, of which $90,266 is general fund, due to the elimination of the temporary Director of Nursing position.

- A decrease of $144,586 due to the reclassification of a position from a psychiatrist to a family practice physician.

- A decrease of $91,232 due to the hiring a family practice physician at a lower salary to replace a contract.

- A decrease of $672,767 due to hiring new staff at a lower salary to replace retired staff and other staff that had higher salary levels.

- $53,571 increase in the Travel budget based on Fleet Services projected rates and moving expenses for 3 psychiatrists.

- An increase of $46,923 in Food and Clothing due to the increased cost of providing special diets for patients with medical issues.

- $28,233 decrease in Miscellaneous Supplies due to a reduced need for equipment under $750.

- $82,904 increase in the Office Supplies budget due to the increased purchase of resale supplies in The Gobbler (coffee shop), with a corresponding increase in miscellaneous revenue.

- $36,626 decrease in Office Equipment & Furniture (Under $5,000) due to furniture on the closed inpatient child and adolescent unit being used in other areas.

- $178,436 increase in Utilities due to burning natural gas and heating fuel rather than coal, when new EPA regulations take effect in 2014.

- $60,997 decrease in Insurance costs due to projected rate decreases.

- $126,395 decrease in Rentals/Leases-Equipment. Current budget included rental of a bar code scanning system which was purchased at significant savings.

- $43,060 decrease in repairs. Current budget included dollars for door knobs for patient bedrooms.

- $269,596 decrease in Fees-Professional Services due mainly to a decrease of $380,000 from elimination of a contract for family practice physician, and an increase of $72,192 for a contracted dentist.

- $321,090 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.

- The budget for Equipment Over $5,000 increased by $221,413 due to requests for equipment needed for patient safety, treatment services and grounds maintenance.

- A decrease of $791,083 for Capital Projects, because of capital carryover of $62,601 and $1,800,000 for the emergency generator funded in current budget. The Executive Budget recommendation for major extraordinary repairs at the Hospital is $1,775,168, of which $864,714 is for street reconstruction and $910,454 is for a variety of repair projects.

- The general fund increased by $580,817 and the federal funds decreased by $830,292 due to the Federal Medicaid Assistance Program (FMAP).

This concludes my testimony on the 2013-2015 budget for traditional services. I would be happy to answer any questions.

Overview of Budget Changes in Secure Services:

Description	2011-2013 Budget	2013-2015 Budget	Increase/ Decrease
Institutions	10,944,114	11,126,676	182,562
General Fund	10,944,114	11,126,676	182,562
Federal Funds			
Other Funds			
Total	10,944,114	11,126,676	182,562
FTE	88.68	87.68	(1.0)

Budget Changes from Current Budget to Executive Budget:

The overall budget increased by $182,562 and can mainly be attributed to the following:

- $254,700 in total funds, of which 100 percent is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $312,126 in total funds, of which 100 percent is general fund needed to fund employee increases approved by the last Legislative Assembly.

- An increase of $46,382 due to the salary underfund of $853,618 for 2013-15 being less than the current underfund.

- A decrease of $402,145 because all shift differential and overtime was budgeted in Traditional Services.

- A decrease in temporary salaries of $59,869 due to a reduction in patient worker salaries and elimination of funding for interns.

- $50,382 decrease in Food and Clothing line item because the DOCR is providing regular diet meals to secure services patients rather than special diet meals and regular diet meals are less costly.

- $24,326 increase in Building, Grounds and Vehicle Supplies due to increases in repair and maintenance costs.

- $30,692 increase in Miscellaneous Supplies due to an increased need for equipment under $750.

- $108,448 increase in Fees-Professional Services for medical problems of long term patients and added psychological evaluations.

- $132,730 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.

This concludes my testimony on the 2013–2015 budget request for secure services. I would be happy to answer any questions.

North Dakota Developmental Center (NDDC) Programs:

The NDDC provides services for individuals with intellectual disabilities. The Center provides residential services, work and day activity services, medical services, clinical services, and outreach services.

Residential Services at the NDDC include:

- **Secure Services Program** – Serves individuals with intellectual disabilities who have sex offending behaviors and for other individuals from the campus that requires a more secure living environment. These individuals require long-term care.

- **Health Services Program** – Serves individuals with intellectual 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 intellectual disabilities and dual sensory disabilities (vision and hearing). These individuals require long-term care.

- **Behavioral Services Program** – Serves individuals with intellectual disabilities who also have psychiatric diagnoses and significant challenging behaviors. Some of these individuals may also have less severe medical needs.

- **Youth Transition Services Program** - Serves young people between the ages of 16-25 who have difficulty finding housing and services in the community. The NDDC provides short-term services to these individuals until a community placement can be found.

Outreach Services at the NDDC include:

- **Independent Supported Living Arrangement Program** - The NDDC supports individuals in local community housing so they can live independently. The NDDC provides staffing to support these individuals in these living arrangements.

- **Professional Services Institute** – The NDDC provides outreach services for the community. Behavioral health care has been the initial focus area but has been expanding due to demand for complex health care support statewide.

- **Outreach Program** – The Clinical Assistance, Resource, and Evaluation Service (CARES) team provides support services in the community to prevent admissions and readmissions and to assist in transitioning people from the NDDC.

- **CARES Clinic** – The CARES Clinic is a team of professionals who specialize in providing services for people with intellectual disabilities who live in the community. Examples of services provided are physical therapy, occupational therapy, speech therapy, adaptive equipment services, dental services, and medical services.

- **Intellectual Disabilities Behavioral Health Service** – This is a team of applied behavioral analysts who deliver behavioral assessment and intervention services to people with intellectual disabilities throughout North Dakota.

North Dakota Developmental Center Census:

See Attachment C, for the census data at the NDDC for the period of 1997 through 2012.

Major Program Changes/Trends:

- The NDDC added the youth transition program in 2012 and transferred 8 adolescents with intellectual disabilities from the NDSH and we will serve them until community options are available.

- Census at the NDDC was steady for a number of years at an average of 143 individuals until the "transition to community" initiative started in 2005. The current budget request is based on 75 individuals in the intermediate care facility (ICF), 67 adults and 8 youth. The July 2013 transition goal is for 67 total residents in the ICF, but we may fall short of this goal because of the addition of the youth transition program.

- The NDDC will also serve 12 individuals in community based independent living arrangements and 6 individuals from the community in the work and day activity program.

- The population in the intermediate care facility at the NDDC has higher individual care needs.

- The transformation of the NDDC into a body of services rather than a place is allowing for the continued evolution of the Center. The elements of transformation include reorganized programming, independent supported living arrangements, community outreach, closing and reorganizing units, suites and buildings, renting or selling underutilized buildings and land, and preparing staff to support the community integration model.

- Dakota East, the vocational program at the Center, recently relocated the Trophy and Engraving business to downtown Grafton. In keeping with our "Without Walls Concept", it gives individuals the opportunity to be involved in their community on a regular basis and work in a real business environment.

Overview of Budget Changes – North Dakota Developmental Center:

Description	2011-2013 Budget	2013-2015 Budget	Increase/ Decrease
Institutions	50,305,245	53,050,470	2,745,225
General Fund	19,583,796	24,986,252	5,402,456
Federal Funds	27,220,951	25,064,218	(2,156,733)
Other Funds	3,500,498	3,000,000	(500,498)
Total	50,305,245	53,050,470	2,745,225
FTE	392.76	392.55	(.21)

Budget Changes from Current Budget to Executive Budget:

The Overall Budget increase of $2,745,225 can be explained as follows:

- $1,198,347 in total funds, of which $620,048 is general fund and $578,299, is federal funds needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $906,428 in total funds, of which $565,080 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- The 2013–2015 Executive Budget recommendation has a salary underfund of $738,692 for the Developmental Center. This is consistent with the 2011-2013 budget.

- The Developmental Center's operating budget for 2013-2015 is not changed from 2011-2013. However, an increase in utilities of $150,000 due to burning natural gas and heating fuel rather than coal

  and an increase in the Provider Assessment of $200,000 was covered with decreases in other operating expenses. Some of these expenses were Building, Grounds, Vehicle Supply decreased by $80,000; Repairs decreased by $55,000; Fees – Professional Services decreased by $50,000; and Miscellaneous Supplies were decreased by $50,000.

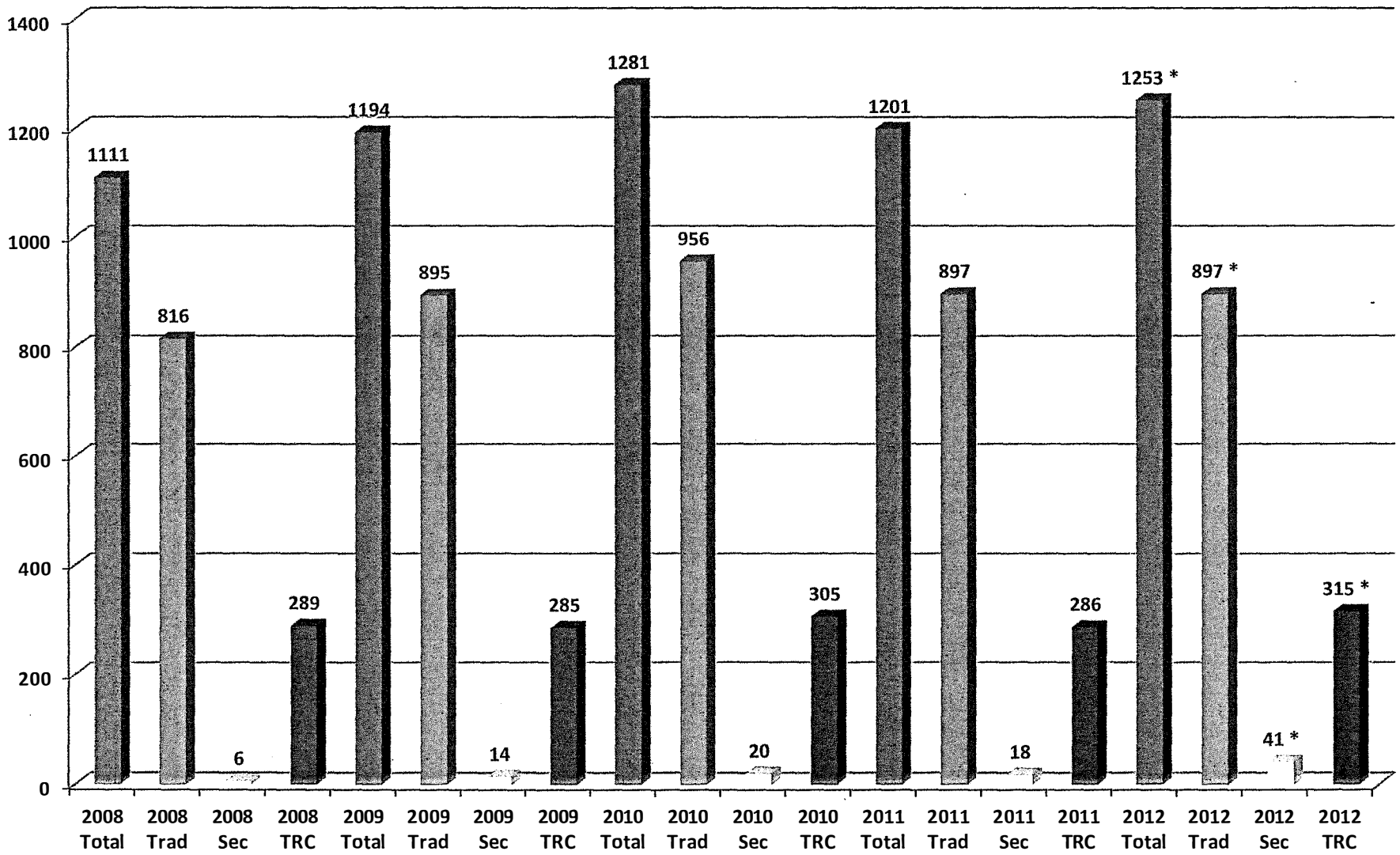
- The Executive Budget recommendation for extraordinary repairs increased by $382,026. The total of extraordinary repairs is $961,495, with $360,000 of the request to demolish the Refectory and Pleasant View Buildings and $601,494 for other extraordinary repairs.

- The Executive Budget recommendation for equipment over $5,000 is $152,000, which is an increase from the current budget as there was no equipment over $5,000 in the 2011-2013 biennium.

- The general fund increased by $5,402,456 and the federal funds decreased by $2,156,733 due to the FMAP decrease.

Thank you. I would be happy to answer any questions about the budget request for the North Dakota Developmental Center.

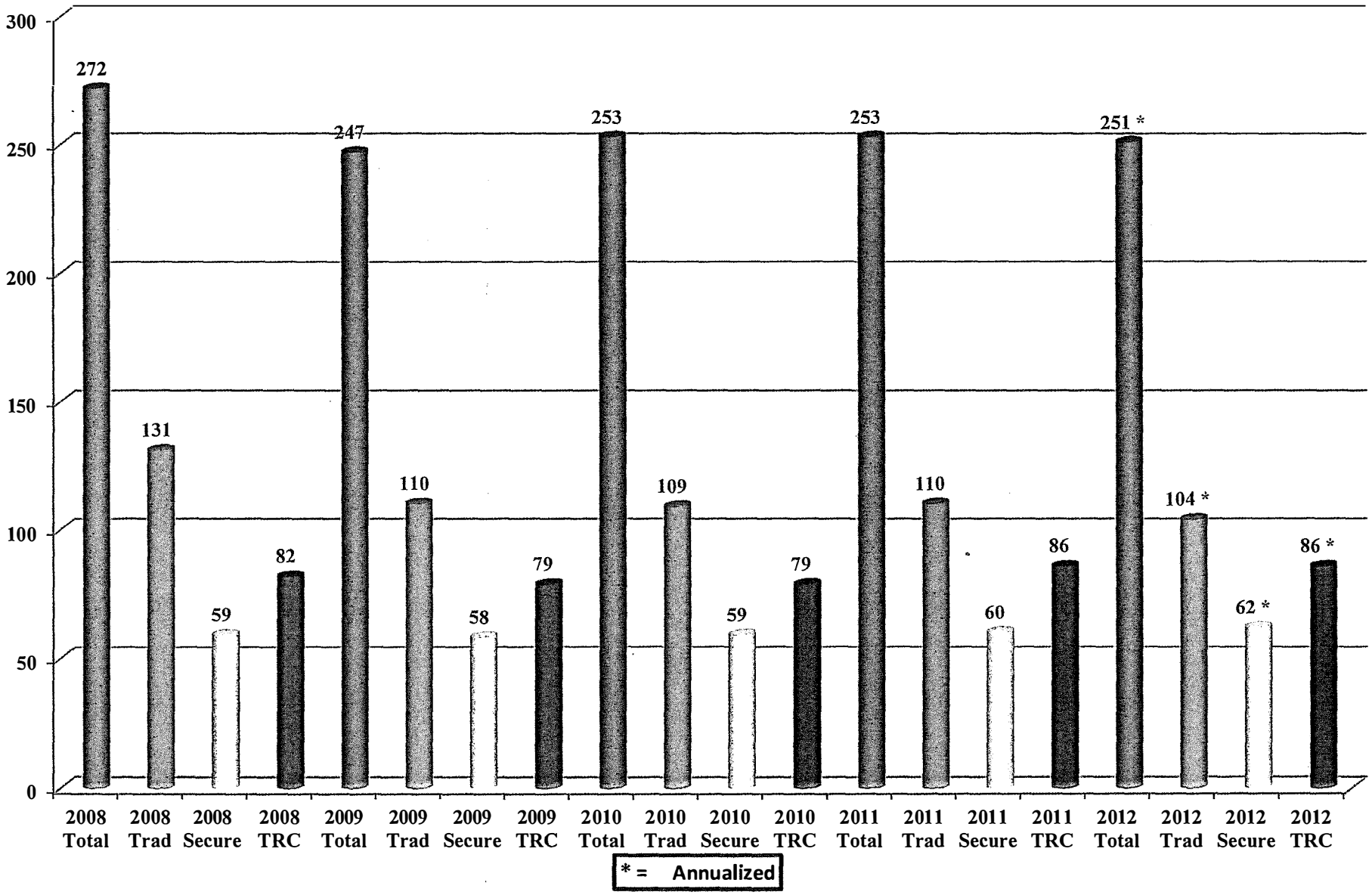
NDSH TOTAL ADMISSIONS



*= *Annualized*

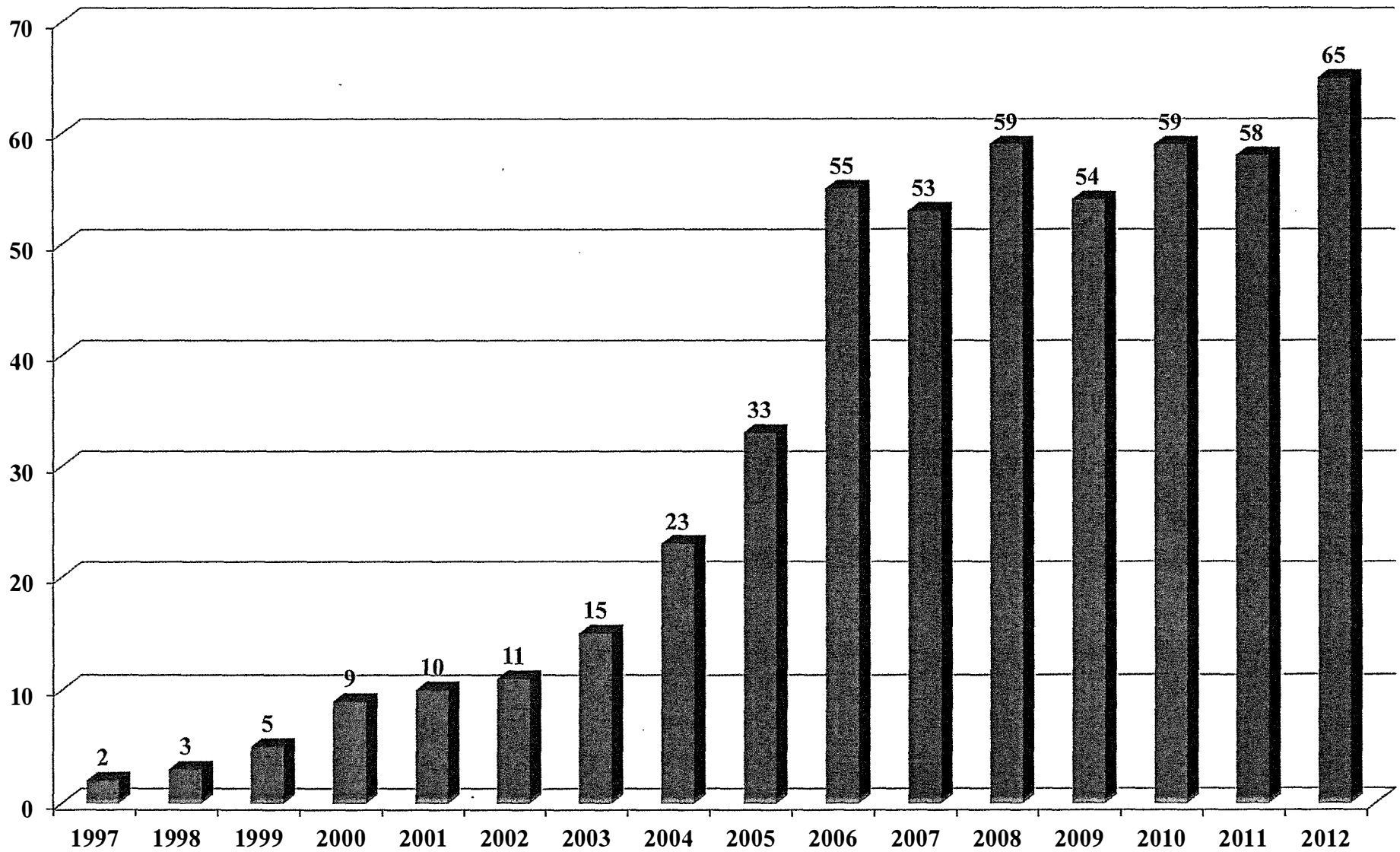
Attachment A (1)

NDSH AVERAGE DAILY POPULATION

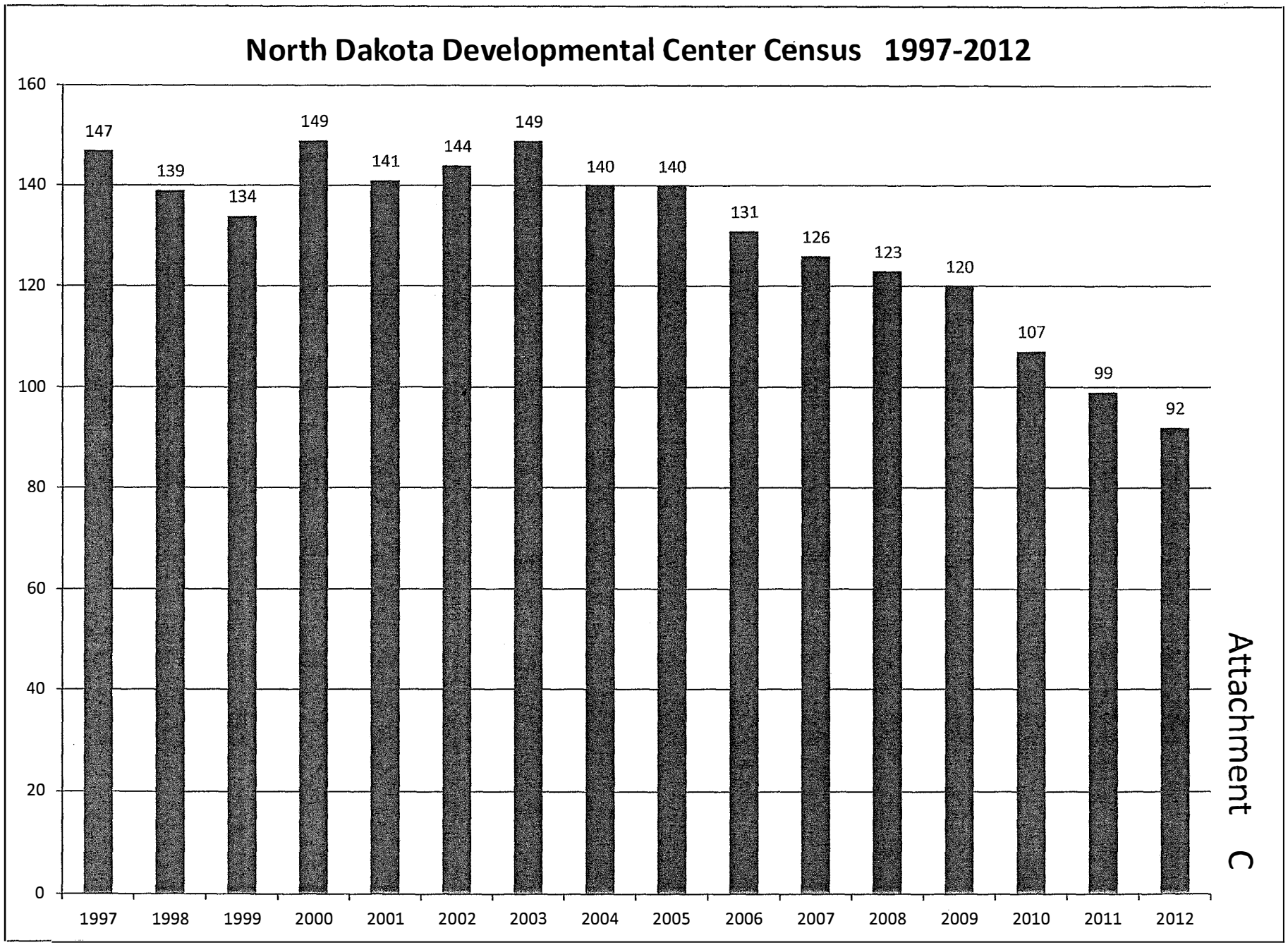


Attachment A (2)

NDSH SEX OFFENDER PROGRAM CENSUS
1997 - 2012



Attachment B



Attachment C

HB 1012
1/15/13 PM
Attachment 3

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Maggie Anderson, Director of Medical Services for the Department of Human Services (Department) and will provide an overview of the Traditional Medicaid and the 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 two programs in this budget area; they are Medicaid and the Children's Health Insurance Program (Healthy Steps). This area of the budget provides health care coverage for qualifying families and children, pregnant women, the elderly, and disabled citizens of North Dakota. Attachment A lists the Medicaid Mandatory and Optional Services, and Attachment B lists the services that have a limit or a co-payment.

Caseload

Attachment C shows the Medicaid Enrollment (eligibles) and the unduplicated count of recipients for the last 24 months. To review Medicaid recipient information in more detail, Attachment D and Attachment E are included. Attachment D shows the unduplicated count of Medicaid cases and recipients by county for State Fiscal Year (SFY) 2012, and Attachment E shows the unduplicated count of recipients by age group for SFY 2012.

Attachment F shows the number of children enrolled each month in Healthy Steps for the last 24 months, and also provides the number of children enrolled in Medicaid for the same time period.

Program Trends/Program Changes

The following items were authorized by the 2011 Legislative Assembly and were implemented during the 2011-2012 Interim:

- House Bill No. 1152 authorized a supplemental payment for critical access hospitals. The supplemental payment afforded payments to the critical access hospitals up to their cost for laboratory and certified registered nurse anesthetist services. The Executive Budget recommends extending this funding for the 2013-2015 Biennium.
- House Bill No. 1320 created a new statute (50-24.1-02.10) allowing a deduction for real estate taxes from rental income for individuals screened as requiring, and receiving, nursing care services. The deduction was limited to the amount of real estate taxes the individual is responsible for paying on the property. The statute became effective August 1, 2011.
- Senate Bill No. 2024 allowed medical providers who render services to inmates of county jails to submit the claims directly to the Department for processing. This allows the county jails the benefit of using the Medicaid fee schedule for pricing the claims and reduces the administrative work required of county jail staff. A secondary provision of the bill allows for the inpatient hospital bills of inmates who are otherwise eligible for Medicaid to be submitted to the Department. Federal Medicaid participation is available for payments made on the inpatient claims. This provision will be

implemented with the new Medicaid Management Information System (MMIS).

Children's Health Insurance Program Reauthorization Act

The Department applied for a Children's Health Insurance Program Reauthorization Act (CHIPRA) outreach and enrollment grant in the spring of 2011. The two-year grant was approved at $1.7 million. Through the use of these funds, the Department launched an online renewal system for Medicaid and Healthy Steps, Temporary Assistance to Needy Families and the Supplemental Nutrition Assistance Program on September 1, 2012. The online renewal system allows individuals and families that are currently participating in one of the programs to renew their coverage online and, if necessary, attach supporting documentation.

The CHIPRA grant funds are also being used to develop an electronic verification system to allow more efficient verification of information for applicants and recipients. The new "ND-Verify" system will search multiple interfaces, which will simplify processes for applicants as they will not have to provide verification of information that is available electronically. The system will also save county eligibility workers time as they will no longer wait for verifications or search multiple interfaces and the system will also eliminate potential errors due to missed searches. The "ND-Verify" system is expected to be operational in August 2013.

Dental Access Project

While the Department has observed increased access to dental services for the Medicaid population, we also recognize that additional efforts are needed to improve access to dental services. To accomplish this, the Department initiated a Medicaid and CHIP Dental Access project. The

intention of the project is to increase the number of dentists practicing in private non-profit dental clinics by awarding funds to support the recruitment of dentists by assisting them with repayment of their dental school loans. I am excited to announce that the first of the awards was made last week and the award will be used to assist Bridging the Dental Gap in hiring an additional dentist. In exchange for the award, Bridging the Dental Gap will increase outreach efforts to the Medicaid and CHIP population and also plans to expand their catchment area from a 50-mile radius to a 100-mile radius.

Program Integrity

In an effort to improve and enhance the efforts to identify and investigate suspected fraud or abuse and address Medicaid Program Integrity, the Medicaid Program Integrity staff members have enhanced the fraud and abuse policies and procedures, strengthened audit activities, updated North Dakota Administrative Code 75-02-05 (Provider Integrity), developed a fraud reporting mechanism for ease of reporting, and developed an annual fraud and abuse on-line training session for all staff who have involvement with the Medicaid program.

To further strengthen program integrity efforts, the Department is also requesting a change to state statute (Senate Bill No. 2114) to allow for the collection of civil monetary penalties.

Money Follows the Person Demonstration Grant

In 2007, the Department was awarded a Money Follows the Person (MFP) Demonstration Grant. The grant funding is provided to North Dakota for the purpose of assisting individuals in nursing facilities and institutions that serve individuals with developmental disabilities in transitioning to

home and community-based settings. The passage of the Affordable Care Act extended the grant through 2020. The Centers for Medicare and Medicaid Services (CMS) has authorized 100 percent federal administrative funding to address a variety of services to support the MFP efforts. I will cover the MFP activities in detail within the Long-Term Care Continuum budget testimony.

Medicaid Pharmacy Services

Drug rebate collection percentages have continued to grow to record highs. The Department awaits final rules from CMS to determine the impact of rebate changes included in the Affordable Care Act.

The volume of individual prescriptions costing more than $1,000 continues to rise.

Year	Number above $1,000 per prescription
Calendar Year 2006	1,321
Calendar Year 2007	1,422
Calendar Year 2008	1,620
Calendar Year 2009	1,766
Calendar Year 2010	2,137
Calendar Year 2011	2,737

In total dollars, these large claims have risen from $2.6 million in 2006, to $6.2 million in 2011. In 2012, one Medicaid client started a medication that costs $295,000 per year.

On January 1, 2013, Medicare Part D started covering benzodiazepines and barbiturates for dual eligibles (individuals who qualify for both

Medicare and Medicaid). The Department expects to see future increases to the Clawback payment to cover the cost of this change.

Health Care Reform

The Affordable Care Act (ACA), or "health care reform" as enacted, included a **mandate** to expand the Medicaid program which required Medicaid programs to cover the population often referred to as "childless adults." The Medicaid coverage would extend to all individuals under the age of 65 (not including pregnant women) below 138 percent of the Federal Poverty Level (133 percent plus a 5 percent income disregard); and would be effective January 1, 2014. Please refer to Attachment G for the current income eligibility levels for Medicaid and CHIP.

On June 28, 2012, the United States Supreme Court upheld the 2014 Medicaid expansion; however, they struck down the **mandate** indicating that the federal government could not withhold all federal Medicaid funding if a state chooses to not expand Medicaid. Therefore, the decision about whether to expand the Medicaid program is left to each state. Please refer to Attachment H for a chart that illustrates the levels of coverage in the ACA.

The ACA affords 100 percent federal funding for the expansion population in Calendar Years 2014, 2015, and 2016; and then the federal support tapers to 90 percent by 2020 according to the following schedule:

Calendar Year	Federal Match Percentage
2014	100 Percent
2015	100 Percent
2016	100 Percent

2017	95 percent
2018	94 percent
2019	93 percent
2020 and future years	90 percent

Section 3 of House Bill No. 1012 contains language that authorizes the Department to implement the provisions of the Medicaid expansion within the ACA; and appropriates the federal funds for the expansion.

The Executive Budget also includes $9.1 million to cover the expected costs of the "previously eligible" individuals. This is a group that is expected to apply for coverage – **regardless of whether there is a Medicaid expansion**. These are individuals who are eligible for Medicaid today, but have not applied for coverage – perhaps because they did not know they qualified, perhaps because they did not have a medical need. In 2014, when the individual mandate within the ACA is in force and considerable federal outreach occurs, it is expected that these individuals will apply for coverage. Those found eligible based on eligibility rules currently in place, will be enrolled in Medicaid and the services they receive will be eligible for 50 percent federal match (which is the Federal Medical Assistance Percentage, effective October 1, 2013) rather than the 100 percent federal funding for the expansion population.

The Executive Budget also accounts for the changes expected due to moving Medicaid and Healthy Steps eligibility determinations for all non-disabled and non-elderly individuals to modified adjusted gross income. Currently, North Dakota uses net income for eligibility determination purposes; however, the ACA requires the transition to a modified adjusted gross income (MAGI) test. There are expected implications of

this change, including children who will move from Medicaid to Healthy Steps and children who will move from Healthy Steps to Medicaid. The Department expects to have to accommodate these changes in the Medicaid and CHIP State Plans and in the technology systems that support the programs. We await final information on how the conversion to MAGI will impact coverage for children.

Other ACA-Related Provisions

Provider enrollment and screening

The ACA requires the Secretary of Health and Human Services, in consultation with the Department of Health and Human Services' Office of the Inspector General, to establish procedures under which screening is conducted with respect to providers of medical or other items or services and suppliers under Medicare, Medicaid, and CHIP. The Act requires the Secretary to determine the level of screening to be conducted according to the risk of fraud, waste, and abuse with respect to the category of provider or supplier. The Act requires the Secretary to impose a fee on each institutional provider of medical or other items or services or supplier, to be used by the Secretary for program integrity efforts, which include requirements for states to comply with the process of screening providers and suppliers and imposing temporary enrollment moratoria for the Medicaid program as established by the Secretary under 1866(j)(2) and (7) of the Act.

The ACA requires state Medicaid agencies to terminate the participation of any individual or entity if such individual or entity is terminated under Medicare or any other state Medicaid plan.

The Department is releasing a Request for Proposal for the implementation of the screening requirements (licensing lists, checking Social Security Administration Death Master File, site visits, etc.). The Department currently checks the two federal exclusion lists for newly-enrolling providers. The eventual contract will include checking the federal exclusion lists and the list of individuals and entities terminated under Medicare and other state Medicaid plans, for all Medicaid providers on a monthly basis.

Recovery Audit Contractor

The ACA requires states to establish a Recovery Act Contractor (RAC) program to enable the auditing of claims for services furnished by Medicaid providers. Pursuant to the statute, Medicaid RACs must: (1) identify overpayments, (2) recoup overpayments, and (3) identify underpayments. The Department has entered into a contract for the RAC program with Cognasante. The vendor has received claims information and is working with staff to understand payment policy and reimbursement requirements so they can begin their audits.

Increase in Physician Reimbursement

Section 1202 of the ACA provides increased payments for certain Medicaid primary care services. Under this provision, certain physicians that provide eligible primary care services would be paid the Medicare rates in effect in Calendar Years 2013 and 2014 (or if greater, the Medicare rate in effect in 2009). States will receive 100 percent Federal Financial Participation (FFP) for the difference between the Medicaid state plan payment amount as of July 1, 2009, and the applicable Medicare rate.

The Department does not expect to receive the 100 percent FFP for physician services, as the North Dakota Medicaid physician fees were greater than the Medicare fees as of July 1, 2009.

Based on the requirements of the ACA, and in accordance with the final rule published on November 6, 2012, the Department expects to increase vaccine administration fees; however, we do not have the final information on the increase in fees or the impact of the increase on program expenditures. We expect to receive the necessary information to be able to finalize our efforts in January. The incremental increase will be financed with 100 percent federal funds, for Calendar Year 2013 and Calendar Year 2014. There is no indication as to what happens with the financing of the increased fees in subsequent years.

Overview of Budget

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	7,563,195	8,593,529	1,030,334
Operating	33,883,524	39,099,835	5,216,311
Grants – Medical Assistance	659,018,818	645,463,150	(13,555,668)
Total	700,465,537	693,156,514	(7,309,023)
General Funds	235,840,610	292,166,123	56,325,513
Federal Funds	428,567,639	359,155,407	(69,412,232)
Other Funds	36,057,288	41,834,984	5,777,696
Total	700,465,537	693,156,514	(7,309,023)

FTE	54.50	56.50	2.0

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $1,030,334 and can be attributed to the following:

- $187,536 in total funds of which $100,628 is general fund is to fund the Governor's benefit package for health insurance and retirement for state employees.
- $201,240 in total funds of which $131,430 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $317,772 in total funds of which $141,194 is general fund needed to fund the continuation of the FTE authorized during the 2011 special Legislative session.
- $195,567 of which $88,165 is general fund needed to fund two FTE needed to assist with the additional workload resulting from the Affordable Care Act, regardless of a Medicaid expansion. The two positions consist of a Pharmacy Technician and a Coding Specialist. These two FTE were transferred from other areas of the Department. This budget is not requesting the authorization of any additional FTE.
- The remaining $128,219 is a combination of increases and decreases needed to sustain the salary of the 56.50 FTE in this area of the budget.

The Operating line item increased by $5.2 million (15.4 percent) and is a combination of the increases and decreases expected next biennium. The majority of the increase is due to the changes in operating fees and services as follows:

- $3.2 million of the operating increase is due to the Medicare Part D Clawback, which is funded with general fund dollars and estate collections.
- $316,000 in total funds of which $158,000 is general fund for additional contracted services to address the increased expectations for Medicaid program integrity.
- $262,000 in total funds of which $131,000 is general fund needed to fund the Division's development and tracking of quality assurance measures.
- $1.8 million in total funds of which $88,661 is general fund needed to fund the increase in Money Follows the Person contracts.
- Decrease of $126,051 in total funds of which $55,160 is general fund in the Children's Health Insurance Program External Quality Review contract.
- Decrease of $100,000 of which $55,160 is general fund for a Utilization Review contract that was anticipated in the previous budget, but was determined to not be needed.
- The remaining $151,949 is a combination of increases and decreases made to contracts within the Medical Services Division.

The Executive Budget for Medical Grants is $645.5 million, which is a **decrease** of $13.6 million. Please refer to Attachment I for a walk-through of each service area for detail on the net decrease in this area.

Attachment J is a cost and caseload comparison of the 2011-2013 Traditional Medical Grants Appropriation to the 2013-2015 Budget to the House for the top twelve services. These services represent 92 percent of the Traditional Medical Grants.

Attachment K shows each Traditional Medicaid Service comparing the 2011-2013 Budget, 2011-2013 Projected Need, and the 2013-2015 Executive Budget request.

To provide perspective on "where the money goes," please see Attachment L, which provides the number of providers by county and total dollars paid to those providers for dates of service in State Fiscal Year 2012.

This concludes my testimony on the 2013-2015 budget request for the Traditional Medicaid and Children's Health Insurance Programs. I would be happy to answer any questions.

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 for those 65 and older in Institutions for Mental Disease (IMD)
Laboratory X-ray	Optometrists / Eyeglasses	Intermediate Care Facility Services
Nursing Facility Services for beneficiaries age 21 and older	Psychologists	Inpatient Psychiatric Services for those Under Age 21
EPSDT for under age 21	Nurse Anesthetist	Personal Care Services
Family Planning Services and 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 and Dentures	Non-Emergency Transportation Services
60 Days Post Partum Pregnancy-Related Services	Physical Therapy and Occupational Therapy	Nursing Facility Services for those Under Age 21
Home Health Services (Nursing), including Durable Medical Equipment and Supplies	Speech, Hearing, Language Therapy	Emergency Hospital Services in Non-Medicare Participating Hospital
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)

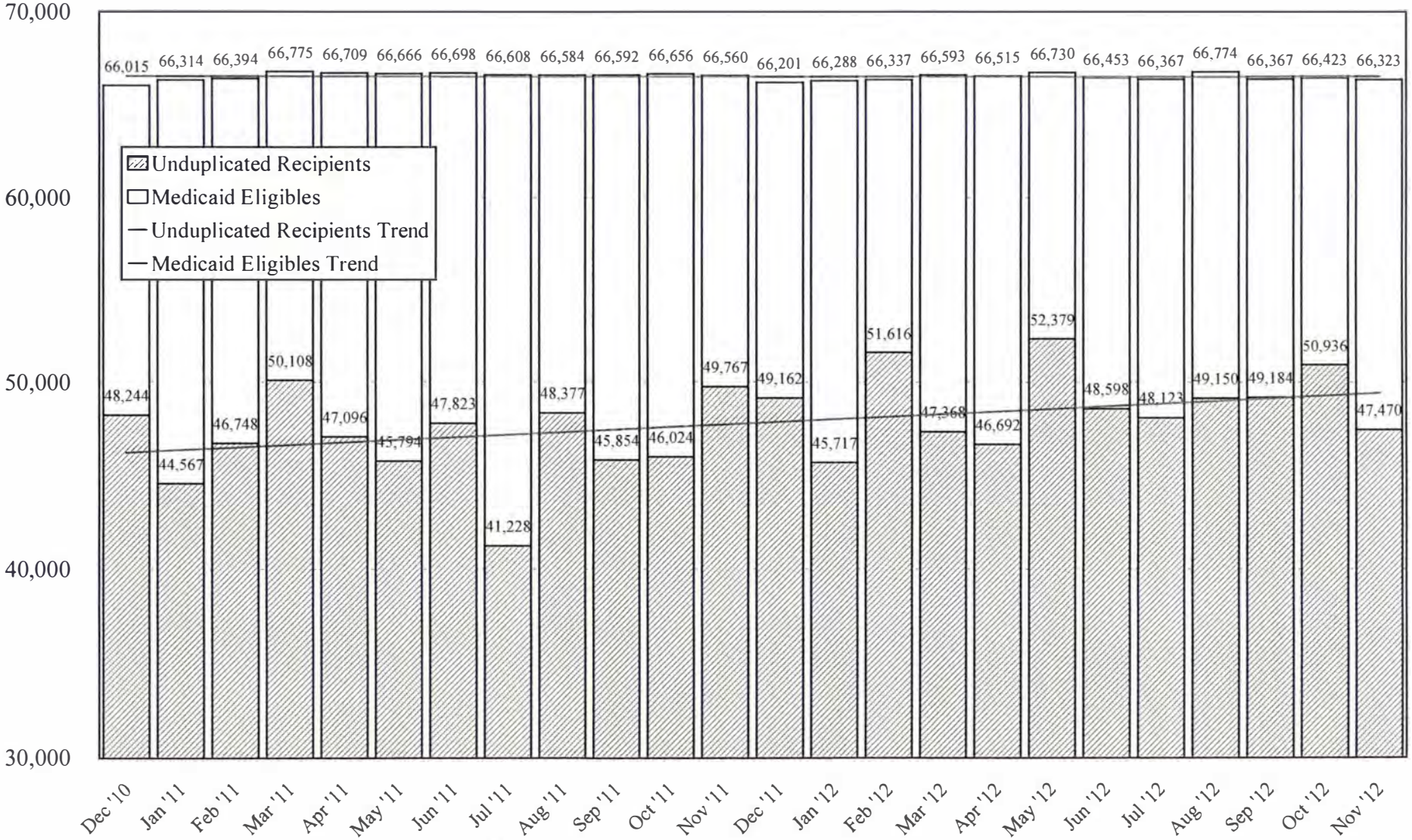
North Dakota Department of Human Services
Medical Services Division

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 and older once every 2 years	$75 Inpatient Hospital
Eye exams for Individuals 21 and older once every 2 years	$3 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-name 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 Medicaid Eligibles (Including QMB's Only, SLMB's Only & QI's) and Unduplicated Recipients
December 2010 - November 2012



Medicaid Eligibles, for the period August '09 to the present, have been restated to include QMB, SLMB, and QI premium recipients.
Starting with August of the 11-13 biennium, "Unduplicated Recipients" includes Indian Health and PACE recipients.

FA-12/19/12-cj-1315legis\eligiblestrendin

UNDUPLICATED COUNT OF MEDICAID CASES AND RECIPIENTS

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	NUMBER OF CASES	PERCENT OF TOTAL CASES	NUMBER OF RECIPIENTS	PERCENT OF TOTAL RECIPIENTS	PERCENT OF COUNTY POPULATION RECEIVING	2011 COUNTY POPULATION ESTIMATE *	COUNTY POPULATION AS A PERCENT OF STATE POPULATION
1 Adams	127	0.27%	196	0.22%	8.50%	2,307	0.34%
2 Barnes	904	1.94%	1,586	1.75%	14.35%	11,056	1.62%
3 Benson	1,127	2.42%	3,084	3.41%	45.87%	6,723	0.98%
4 Billings	16	0.03%	26	0.03%	3.19%	816	0.12%
5 Bottineau	398	0.86%	758	0.84%	11.76%	6,443	0.94%
6 Bowman	153	0.33%	229	0.25%	7.31%	3,134	0.46%
7 Burke	89	0.19%	178	0.20%	8.76%	2,033	0.30%
8 Burleigh	5,024	10.80%	9,316	10.30%	11.20%	83,145	12.16%
9 Cass	9,256	19.90%	18,268	20.20%	11.99%	152,368	22.28%
10 Cavalier	205	0.44%	369	0.41%	9.37%	3,939	0.58%
11 Dickey	362	0.78%	665	0.74%	12.51%	5,317	0.78%
12 Divide	128	0.28%	234	0.26%	11.01%	2,125	0.31%
13 Dunn	194	0.42%	354	0.39%	9.52%	3,720	0.54%
14 Eddy	211	0.45%	374	0.41%	15.71%	2,380	0.35%
15 Emmons	202	0.43%	329	0.36%	9.28%	3,546	0.52%
16 Foster	186	0.40%	331	0.37%	9.91%	3,341	0.49%
17 Golden Valley	100	0.21%	192	0.21%	10.96%	1,752	0.26%
18 Grand Forks	4,425	9.51%	8,520	9.42%	12.79%	66,598	9.74%
19 Grant	154	0.33%	281	0.31%	12.02%	2,337	0.34%
20 Griggs	142	0.31%	237	0.26%	9.99%	2,372	0.35%
21 Hettinger	137	0.29%	231	0.26%	9.18%	2,515	0.37%
22 Kidder	119	0.26%	246	0.27%	10.19%	2,414	0.35%
LaMoure	179	0.38%	309	0.34%	7.53%	4,105	0.60%
pgan	123	0.26%	203	0.22%	10.23%	1,985	0.29%
lcHenry	337	0.72%	653	0.72%	11.86%	5,505	0.80%
McIntosh	216	0.46%	364	0.40%	13.15%	2,769	0.40%
27 McKenzie	460	0.99%	1,092	1.21%	15.56%	7,019	1.03%
28 McLean	517	1.11%	962	1.06%	10.61%	9,068	1.33%
29 Mercer	394	0.85%	711	0.79%	8.42%	8,449	1.24%
30 Morton	1,962	4.22%	3,780	4.18%	13.63%	27,734	4.06%
31 Mountrail	602	1.29%	1,325	1.46%	16.36%	8,097	1.18%
32 Nelson	227	0.49%	368	0.41%	12.04%	3,057	0.45%
33 Oliver	66	0.14%	141	0.16%	7.70%	1,830	0.27%
34 Pembina	445	0.96%	852	0.94%	11.60%	7,342	1.07%
35 Pierce	345	0.74%	609	0.67%	13.92%	4,375	0.64%
36 Ramsey	1,151	2.47%	2,075	2.29%	18.12%	11,452	1.67%
37 Ransom	408	0.88%	709	0.78%	13.12%	5,403	0.79%
38 Renville	126	0.27%	226	0.25%	9.08%	2,490	0.36%
39 Richland	1,063	2.29%	2,133	2.36%	13.13%	16,245	2.38%
40 Rolette	2,582	5.55%	6,092	6.73%	42.88%	14,206	2.08%
41 Sargent	152	0.33%	273	0.30%	7.19%	3,798	0.56%
42 Sheridan	100	0.21%	195	0.22%	14.90%	1,309	0.19%
43 Sioux	916	1.97%	2,488	2.75%	58.13%	4,280	0.63%
44 Slope	17	0.04%	29	0.03%	4.04%	718	0.10%
45 Stark	1,685	3.62%	2,826	3.12%	11.22%	25,177	3.68%
46 Steele	70	0.15%	160	0.18%	8.21%	1,950	0.29%
47 Stutsman	1,731	3.72%	2,947	3.26%	13.99%	21,062	3.08%
48 Towner	158	0.34%	300	0.33%	13.25%	2,264	0.33%
49 Traill	495	1.06%	935	1.03%	11.48%	8,147	1.19%
50 Walsh	961	2.07%	1,794	1.98%	16.26%	11,032	1.61%
51 Ward	3,642	7.83%	6,837	7.56%	10.67%	64,072	9.37%
52 Wells	302	0.65%	558	0.62%	13.17%	4,237	0.62%
53 Williams	1,425	3.06%	2,503	2.77%	10.27%	24,374	3.56%
Total	46,516	100.00%	90,453	100.00%	13.23%	683,932	100.00%

Data presented by Human Service Center Region on page 15

ce: Data obtained via job ES399510

e 1. Annual Estimates of the Resident Population for Counties of North Dakota: April 1, 2010 to July 1, 2011 (CO-EST2011-01-38)

ce: U.S. Census Bureau, Population Division, Release Date: April 2012

//www.census.gov/popest/data/counties/totals/2011/CO-EST2011-01.html

Attachment E

UNDUPLICATED COUNT OF MEDICAID RECIPIENTS BY AGE GROUP

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	TOTAL RECIPIENTS	AGE GROUP				
		0-5	6-18	19-20	21-64	65 and over
1 Adams	196	42	43	1	58	52
2 Barnes	1,586	314	440	44	541	247
3 Benson	3,084	748	1,174	95	953	114
4 Billings	26	9	6	2	8	1
5 Bottineau	758	185	198	25	239	111
6 Bowman	229	62	61	10	49	47
7 Burke	178	44	64	8	52	10
8 Burleigh	9,316	2,449	2,504	331	3,182	850
9 Cass	18,268	4,799	5,363	680	6,334	1,092
10 Cavalier	369	59	108	13	108	81
11 Dickey	665	173	158	20	170	144
12 Divide	234	55	58	7	73	41
13 Dunn	354	88	104	13	105	44
14 Eddy	374	75	109	3	116	71
15 Emmons	329	57	93	12	88	79
16 Foster	331	62	96	6	95	72
17 Golden Valley	192	53	78	5	40	16
18 Grand Forks	8,520	2,305	2,382	347	2,925	561
19 Grant	281	45	86	11	68	71
20 Griggs	237	47	63	9	57	61
21 Hettinger	231	53	73	6	53	46
22 Kidder	246	62	86	10	65	23
23 LaMoure	309	62	93	6	84	64
24 Logan	203	45	45	2	42	69
25 McHenry	653	139	212	19	207	76
26 McIntosh	364	70	85	11	85	113
27 McKenzie	1,092	296	410	41	292	53
28 McLean	962	205	306	24	289	138
29 Mercer	711	164	199	28	202	118
30 Morton	3,780	914	1,147	104	1,247	368
31 Mountrail	1,325	370	433	66	384	72
32 Nelson	368	53	95	12	120	88
33 Oliver	141	45	39	5	40	12
34 Pembina	852	192	286	24	243	107
35 Pierce	609	116	180	28	154	131
36 Ramsey	2,075	457	610	90	684	234
37 Ransom	709	146	193	23	203	144
38 Renville	226	51	64	8	54	49
39 Richland	2,133	536	675	83	651	188
40 Rolette	6,092	1,500	2,066	224	2,045	257
41 Sargent	273	65	83	10	77	38
42 Sheridan	195	38	60	12	58	27
43 Sioux	2,488	594	863	110	869	52
44 Slope	29	6	10	0	5	8
45 Stark	2,826	772	729	86	853	386
46 Steele	160	40	55	4	49	12
47 Stutsman	2,947	641	807	108	1,037	354
48 Towner	300	68	89	9	86	48
49 Traill	935	214	275	24	272	150
50 Walsh	1,794	425	550	63	543	213
51 Ward	6,837	1,769	2,011	243	2,287	527
52 Wells	558	119	133	17	194	95
53 Williams	2,503	729	751	87	731	205
Total	90,453	22,627	26,901	3,229	29,466	8,230
Percent of Total	100.00%	25.02%	29.74%	3.57%	32.58%	9.10%

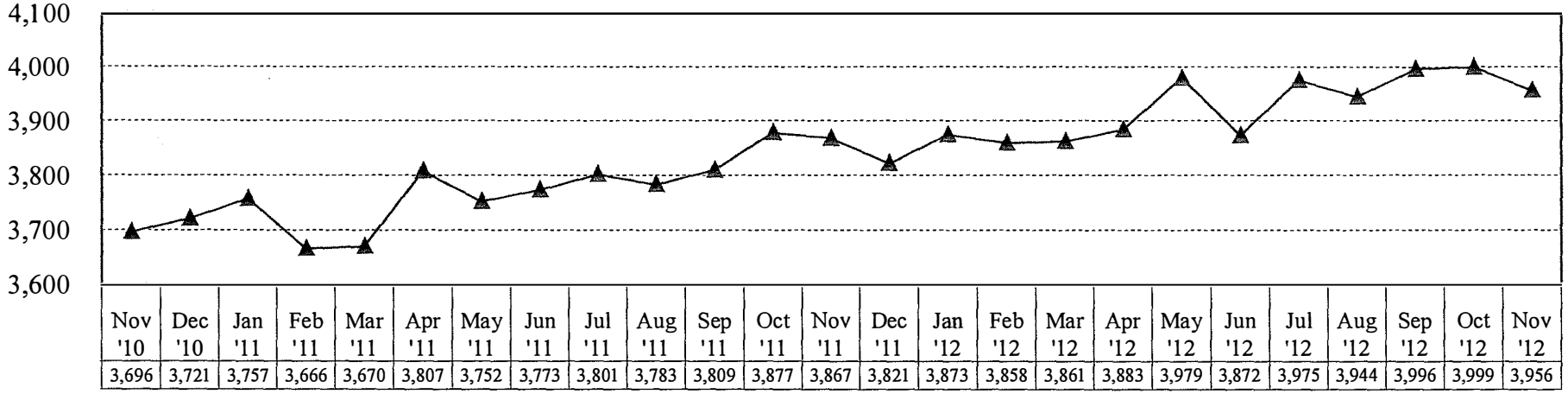
*Age is based on the number of years between the birth month and the person's last Medicaid benefit month in the year.

North Dakota Department of Human Services

Attachment F

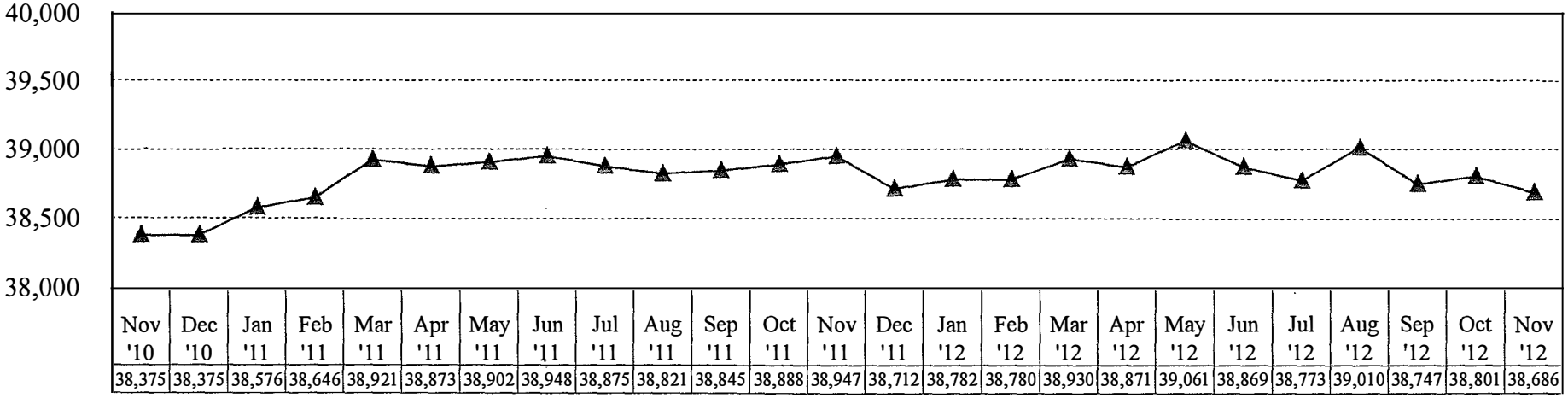
Healthy Steps Premiums Paid by Month

November 2010 - November 2012



Children Enrolled in Medicaid by Month

November 2010 - November 2012



12/19/12-cj-1315legis\hs enroll & elig

Attachment G

North Dakota Department of Human Services
INCOME ELIGIBILITY LEVELS
Effective April 1, 2012

Family Size	Family Coverage (1931)	Medically Needy 83% of Poverty	SSI (Effective 01/01/13)	Children Age 6 to 19 and QMB 100% of Poverty	SLMB 120% of Poverty	Pregnant Women & Child to Age 6 133% of Poverty	QI-1 135% of Poverty	Healthy Steps 160% of Poverty	Transitional Medicaid 185% of Poverty	Caring for Children & Children with Disabilities & Women's Way 200% of Poverty	Workers with Disabilities 225% of Poverty
1	$311	$ 773	$ 710	$ 931	$ 1,117	$1,238	$1,257	$1,490	$1,723	$1,862	$2,095
2	417	1,047	1,068	1,261	1,513	1,677	1,703	2,018	2,333	2,522	2,837
3	523	1,321		1,591	1,909	2,116	2,148	2,546	2,944	3,182	3,580
4	629	1,595		1,921	2,305	2,555	2,594	3,074	3,554	3,842	4,322
5	735	1,869		2,251	2,701	2,994	3,039	3,602	4,165	4,502	5,065
6	841	2,143		2,581	3,097	3,433	3,485	4,130	4,775	5,162	5,807
7	947	2,416		2,911	3,493	3,871	3,930	4,658	5,386	5,822	6,550
8	1,053	2,690		3,241	3,889	4,311	4,376	5,186	5,996	6,482	7,292
9	1,159	2,964		3,571	4,285	4,750	4,821	5,714	6,607	7,142	8,035
10	1,265	3,238		3,901	4,681	5,189	5,267	6,242	7,217	7,802	8,777
+1*	107	274		330	396	439	446	528	611	660	743

Spousal Impoverishment Levels			
Community Spouse Minimum Asset Allowance (Effective 01/01/13)	Community Spouse Maximum Asset Allowance (Effective 01/01/13)	Community Spouse Income Level (Effective 01/01/03)	Income Level for each Additional Individual (Effective 04/01/12)
$23,184	$115,920	$2,267	$630

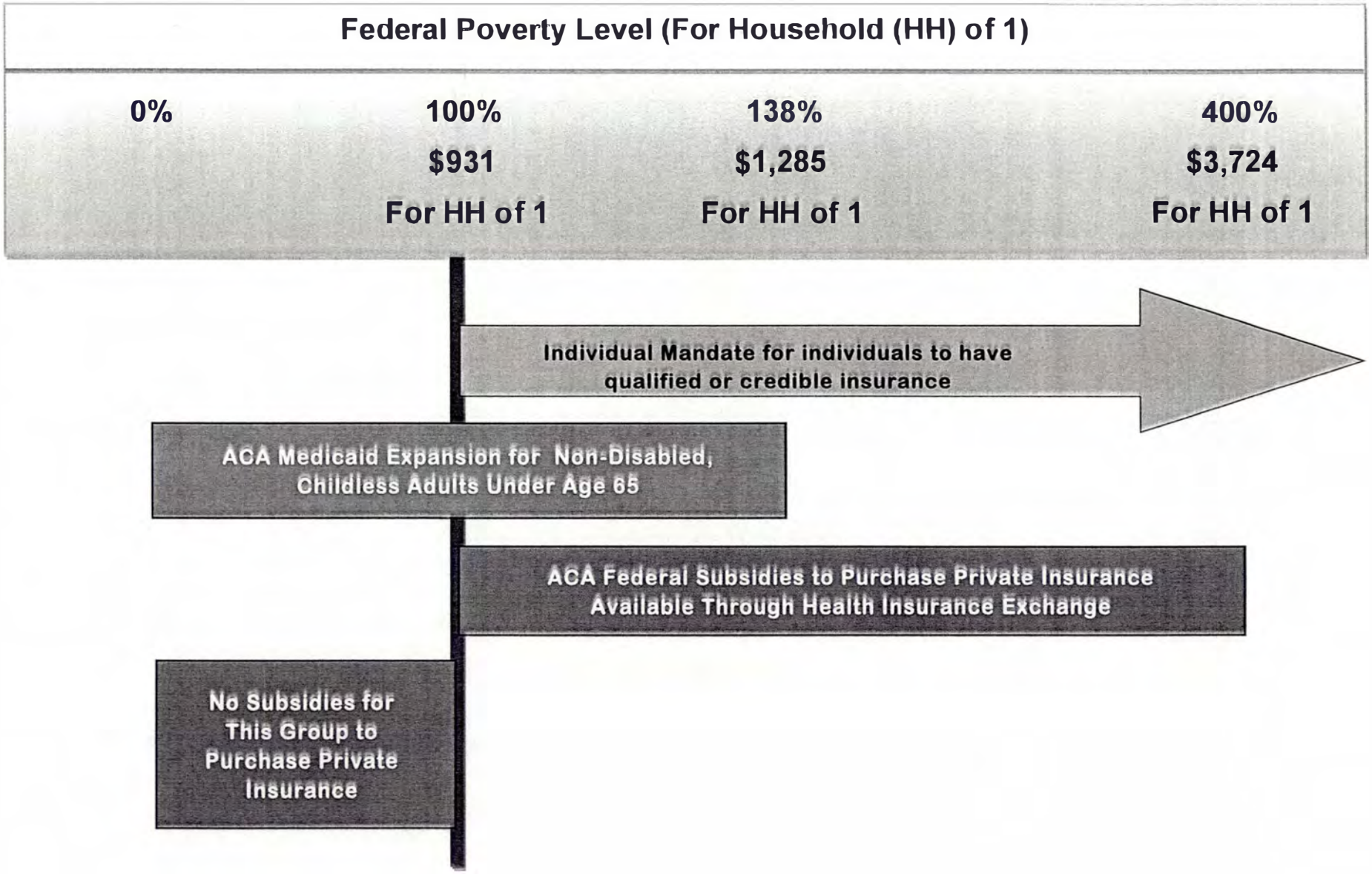
Average Cost of Nursing Facility Care	
Average Monthly Cost of Care (Effective 01/01/13)	Average Daily Cost of Care (Effective 01/01/13)
$6,792	$223.30

Notes: Nursing Home personal needs allowance increased from $40 to $50 effective with the benefit month of 01/01/02.
ICF/ID and Basic Care personal needs allowance increased from $50 to $85 effective 1/1/2010.

Attachment H

North Dakota Department of Human Services
Affordable Care Act (ACA)

Medicaid Expansion Illustration



Attachment I

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To House

Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital- Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	2013-2015 Budget To House
Inpatient Hospital	162,198,550	17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186
Outpatient Hospital	74,249,400	8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840
Critical Access Hospitals	3,454,061	(3,454,061)	0						1,261,094		(2,192,967)	1,261,094
One-Time Hospital Grant	200,000	(200,000)	0								(200,000)	0
Physician Services	104,734,864	7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536
Drugs - NET (Includes Rebates)	50,513,555	(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905
Dental Services	24,029,520	286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103
Premiums	29,183,783	(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120
Psychiatric Residential Treatment Facilities	21,987,286	1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748
Durable Medical Equipment	8,147,456	(841,440)	709,224		481,968						349,752	8,497,208
Ambulance Services	5,487,816	218,040	1,784,536		453,600						2,456,176	7,943,992
Federally Qualified Health Centers	5,169,468	1,968,794	783,395		0						2,752,189	7,921,657
Indian Health Services ^	29,480,212	(10,883,860)	11,733,168								849,308	30,329,520
Other Services	109,646,243	(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043
Chiropractic Services	1,278,500	148,380	62,920		90,712						302,012	1,580,512
Disease Management	2,667,876	8,103,257	(8,880,672)		0						(777,415)	1,890,461
Electronic Health Records Incentive Payment ^	64,895,312	(59,111,300)	0								(59,111,300)	5,784,012
Foster Care Family Support	1,095,372	198,076	363,968		100,652						662,696	1,758,068
Home Health Services	3,200,414	742,682	149,304		164,001						1,055,987	4,256,401
Hospice Services	718,770	(65,491)	81,651								16,160	734,930
Laboratory & Radiology	2,084,924	(455,660)	64,112		102,880						(288,668)	1,796,256
ND Health Tracks - EPSDT Screenings	5,448,860	(321,172)	83,736		317,244						79,808	5,528,668
Occupational Therapy	1,236,548	(41,556)	(62,128)		68,756						(34,928)	1,201,620
Optometry Services	5,013,484	61,360	(309,128)		191,264						(56,504)	4,956,980
Private Duty Nursing			60,760		3,708						64,468	64,468
Physical Therapy	1,375,476	43,308	167,432		96,156						306,896	1,682,372
Psychological Services	6,783,048	(560,280)	753,896		424,304						617,920	7,400,968
Rural Health Clinics	4,020,152	14,004	(1,188,821)		0					1,393,875	219,058	4,239,210
Special Education ^^	3,609,348	175,316	(1,063,736)		165,976						(722,444)	2,886,904
Speech & Hearing Services	1,386,232	157,696	(210,264)		81,096						28,528	1,414,760
Targeted Case Mgt - DJS Alt Care ^^	558,480	3,272	(91,776)		25,353						(63,151)	495,329
Targeted Case Mgt - Pregnant Women	52,700	1,724	24,048		4,808						30,580	83,280
Targeted Case Mgt - Wrap Around^^^	2,688,799	122,889	315,040		190,172						628,101	3,316,900
Targeted Case Mgt - Tribal			23,816		1,432						25,248	25,248
Transportation Services	1,531,948	1,311,164	46,312		174,272						1,531,748	3,063,696
											0	0
Total (Excluding Healthy Steps)	**628,482,214**	**(30,446,875)**	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952**
Healthy Steps	27,524,402	3,948,927	1,870,741								5,819,668	33,344,070
Total Medical Assistance	**656,006,616**	**(26,497,948)**	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022**
General Funds	**205,544,821**	**14,709,574**	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101**

^ Indian Health Services & Electronic Health Records Incentive Payments are 100% federally funded.

^^ Only federal funds are in the DHS budget. The matching funds are in other state agency budgets.

^^^ The State share is paid with County funds there are no general funds associated with TCM-Wrap Around

Attachment J

Cost and Caseload Comparison

2013-2015 Executive Budget To the House

Compared to 2011 - 2013 Biennium

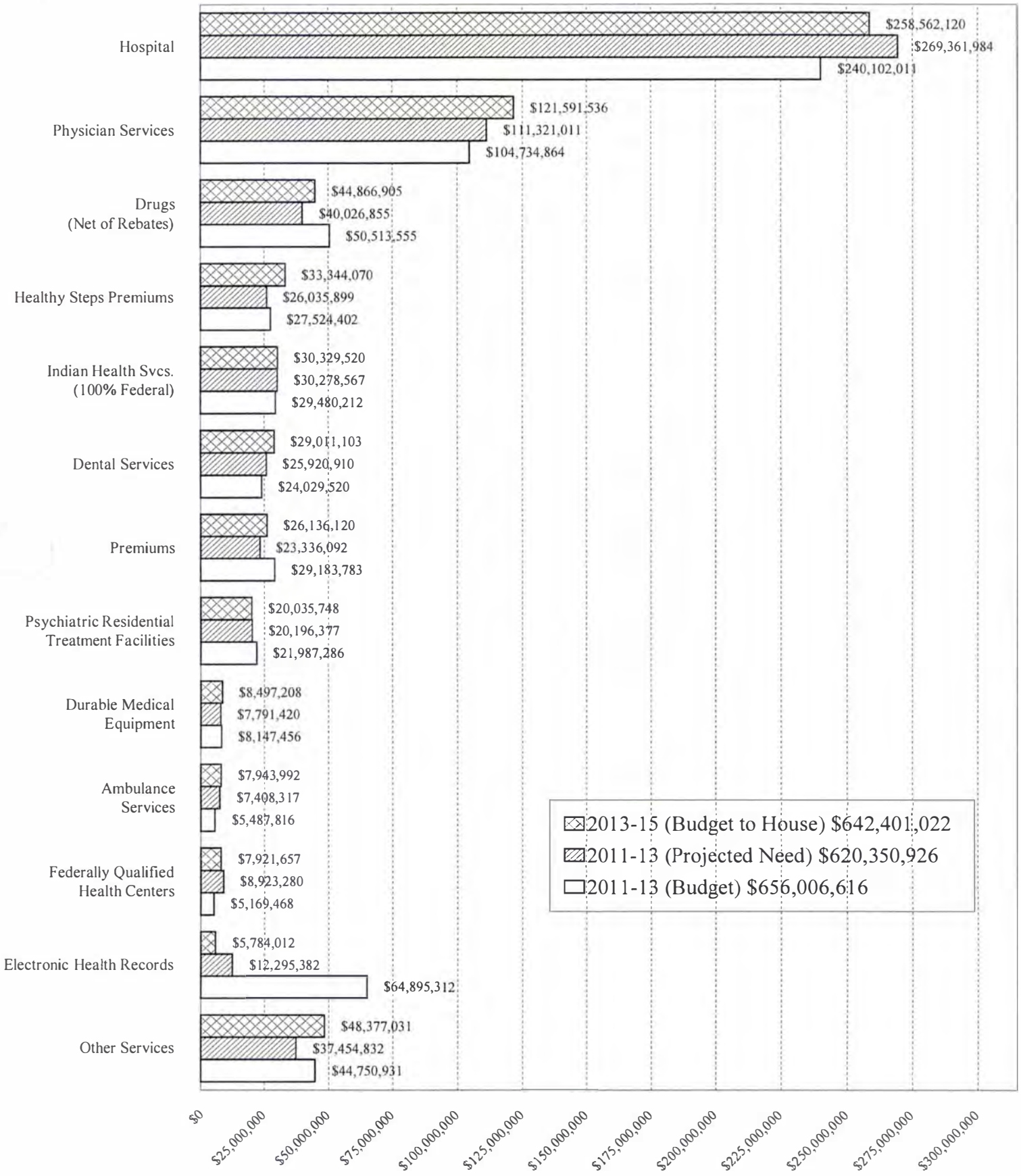
Description	2011-2013 Budgeted Avg Monthly Cost per Case	2013-2015 Budgeted Avg Monthly Cost per Case	Difference: Increase (Decrease)	2011-2013 Budgeted Avg Monthly Caseload	2013-2015 Budgeted Avg Monthly Caseload	Difference: Increase (Decrease)
Inpatient Hospital	1,216.81	1,403.37	186.56	5,554	5,464	(90)
Outpatient Hospital	16.87	19.20	2.33	183,413	158,994	(24,419)
Physician Services	18.79	22.12	3.33	232,254	229,064	(3,190)
Net Drugs (Includes Rebates)	39.09	32.58	(6.51)	53,840	57,373	3,533
Premiums	133.36	119.55	(13.81)	9,118	9,109	(9)
Dental Services	65.94	74.39	8.45	15,183	16,250	1,067
Psychiatric Residential Treatment Facilities	372.68	399.51	26.83	81	69	(12)
Durable Medical Equipment	1.99	1.94	(0.05)	170,877	182,867	11,990
Federally Qualified Health Systems	124.89	164.16	39.27	1,725	2,011	286
Ambulance Services	14.74	16.08	1.34	15,513	20,579	5,066
Indian Health Services**	148.02	5.74	(142.28)	1,915	50,836	48,921
Healthy Steps	272.67	311.79	39.12	4,206	4,456	250

** Indian Health cost per case and the monthly average caseload are not comparable between bienniums as prescription drugs are now reported on a per pill basis rather than per perscription which significantly distorts the numbers between bienniums. Indian Health expenditures are funded with 100% Federal Funds.

North Dakota Department of Human Services

Attachment K

Medical Services
2011-13 and 2013-15 Biennium Comparisons
House Bill 1012 (2013 - 2015 Biennium)



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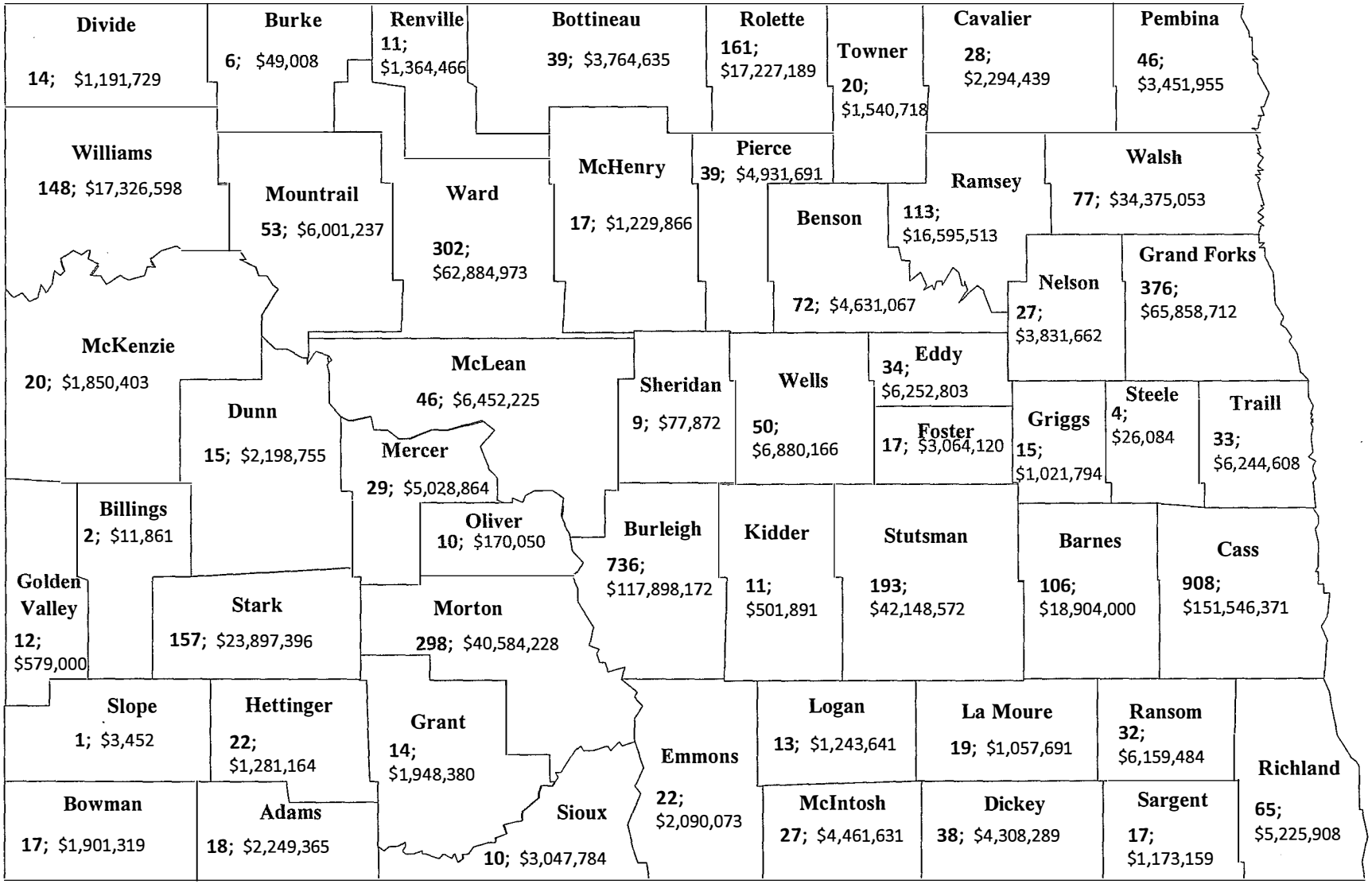
North Dakota Department of Human Services
Medical Services Division

Providers and Claims Paid by County

Dates of Service – State Fiscal Year 2012

Attachment L



County 99 – Out-of-State Providers: **521**; $25,717,268

REV. 01-03-2013

HB 1012
1/16/13 AM
Attachment 1

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Maggie Anderson, Director of Medical Services for the Department of Human Services (Department) and will provide an overview of the Traditional Medicaid and the 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 two programs in this budget area; they are Medicaid and the Children's Health Insurance Program (Healthy Steps). This area of the budget provides health care coverage for qualifying families and children, pregnant women, the elderly, and disabled citizens of North Dakota. Attachment A lists the Medicaid Mandatory and Optional Services, and Attachment B lists the services that have a limit or a co-payment.

Caseload

Attachment C shows the Medicaid Enrollment (eligibles) and the unduplicated count of recipients for the last 24 months. To review Medicaid recipient information in more detail, Attachment D and Attachment E are included. Attachment D shows the unduplicated count of Medicaid cases and recipients by county for State Fiscal Year (SFY) 2012, and Attachment E shows the unduplicated count of recipients by age group for SFY 2012.

Attachment F shows the number of children enrolled each month in Healthy Steps for the last 24 months, and also provides the number of children enrolled in Medicaid for the same time period.

Program Trends/Program Changes

The following items were authorized by the 2011 Legislative Assembly and were implemented during the 2011-2012 Interim:

- House Bill No. 1152 authorized a supplemental payment for critical access hospitals. The supplemental payment afforded payments to the critical access hospitals up to their cost for laboratory and certified registered nurse anesthetist services. The Executive Budget recommends extending this funding for the 2013-2015 Biennium.
- House Bill No. 1320 created a new statute (50-24.1-02.10) allowing a deduction for real estate taxes from rental income for individuals screened as requiring, and receiving, nursing care services. The deduction was limited to the amount of real estate taxes the individual is responsible for paying on the property. The statute became effective August 1, 2011.
- Senate Bill No. 2024 allowed medical providers who render services to inmates of county jails to submit the claims directly to the Department for processing. This allows the county jails the benefit of using the Medicaid fee schedule for pricing the claims and reduces the administrative work required of county jail staff. A secondary provision of the bill allows for the inpatient hospital bills of inmates who are otherwise eligible for Medicaid to be submitted to the Department. Federal Medicaid participation is available for payments made on the inpatient claims. This provision will be

implemented with the new Medicaid Management Information System (MMIS).

Children's Health Insurance Program Reauthorization Act

The Department applied for a Children's Health Insurance Program Reauthorization Act (CHIPRA) outreach and enrollment grant in the spring of 2011. The two-year grant was approved at $1.7 million. Through the use of these funds, the Department launched an online renewal system for Medicaid and Healthy Steps, Temporary Assistance to Needy Families and the Supplemental Nutrition Assistance Program on September 1, 2012. The online renewal system allows individuals and families that are currently participating in one of the programs to renew their coverage online and, if necessary, attach supporting documentation.

The CHIPRA grant funds are also being used to develop an electronic verification system to allow more efficient verification of information for applicants and recipients. The new "ND-Verify" system will search multiple interfaces, which will simplify processes for applicants as they will not have to provide verification of information that is available electronically. The system will also save county eligibility workers time as they will no longer wait for verifications or search multiple interfaces and the system will also eliminate potential errors due to missed searches. The "ND-Verify" system is expected to be operational in August 2013.

Dental Access Project

While the Department has observed increased access to dental services for the Medicaid population, we also recognize that additional efforts are needed to improve access to dental services. To accomplish this, the Department initiated a Medicaid and CHIP Dental Access project. The

intention of the project is to increase the number of dentists practicing in private non-profit dental clinics by awarding funds to support the recruitment of dentists by assisting them with repayment of their dental school loans. I am excited to announce that the first of the awards was made last week and the award will be used to assist Bridging the Dental Gap in hiring an additional dentist. In exchange for the award, Bridging the Dental Gap will increase outreach efforts to the Medicaid and CHIP population and also plans to expand their catchment area from a 50-mile radius to a 100-mile radius.

Program Integrity

In an effort to improve and enhance the efforts to identify and investigate suspected fraud or abuse and address Medicaid Program Integrity, the Medicaid Program Integrity staff members have enhanced the fraud and abuse policies and procedures, strengthened audit activities, updated North Dakota Administrative Code 75-02-05 (Provider Integrity), developed a fraud reporting mechanism for ease of reporting, and developed an annual fraud and abuse on-line training session for all staff who have involvement with the Medicaid program.

To further strengthen program integrity efforts, the Department is also requesting a change to state statute (Senate Bill No. 2114) to allow for the collection of civil monetary penalties.

Money Follows the Person Demonstration Grant

In 2007, the Department was awarded a Money Follows the Person (MFP) Demonstration Grant. The grant funding is provided to North Dakota for the purpose of assisting individuals in nursing facilities and institutions that serve individuals with developmental disabilities in transitioning to

home and community-based settings. The passage of the Affordable Care Act extended the grant through 2020. The Centers for Medicare and Medicaid Services (CMS) has authorized 100 percent federal administrative funding to address a variety of services to support the MFP efforts. I will cover the MFP activities in detail within the Long-Term Care Continuum budget testimony.

Medicaid Pharmacy Services

Drug rebate collection percentages have continued to grow to record highs. The Department awaits final rules from CMS to determine the impact of rebate changes included in the Affordable Care Act.

The volume of individual prescriptions costing more than $1,000 continues to rise.

Year	Number above $1,000 per prescription
Calendar Year 2006	1,321
Calendar Year 2007	1,422
Calendar Year 2008	1,620
Calendar Year 2009	1,766
Calendar Year 2010	2,137
Calendar Year 2011	2,737

In total dollars, these large claims have risen from $2.6 million in 2006, to $6.2 million in 2011. In 2012, one Medicaid client started a medication that costs $295,000 per year.

On January 1, 2013, Medicare Part D started covering benzodiazepines and barbiturates for dual eligibles (individuals who qualify for both

Medicare and Medicaid). The Department expects to see future increases to the Clawback payment to cover the cost of this change.

Health Care Reform

The Affordable Care Act (ACA), or "health care reform" as enacted, included a **mandate** to expand the Medicaid program which required Medicaid programs to cover the population often referred to as "childless adults." The Medicaid coverage would extend to all individuals under the age of 65 (not including pregnant women) below 138 percent of the Federal Poverty Level (133 percent plus a 5 percent income disregard); and would be effective January 1, 2014. Please refer to Attachment G for the current income eligibility levels for Medicaid and CHIP.

On June 28, 2012, the United States Supreme Court upheld the 2014 Medicaid expansion; however, they struck down the **mandate** indicating that the federal government could not withhold all federal Medicaid funding if a state chooses to not expand Medicaid. Therefore, the decision about whether to expand the Medicaid program is left to each state. Please refer to Attachment H for a chart that illustrates the levels of coverage in the ACA.

The ACA affords 100 percent federal funding for the expansion population in Calendar Years 2014, 2015, and 2016; and then the federal support tapers to 90 percent by 2020 according to the following schedule:

Calendar Year	Federal Match Percentage
2014	100 Percent
2015	100 Percent
2016	100 Percent

2017	95 percent
2018	94 percent
2019	93 percent
2020 and future years	90 percent

Section 3 of House Bill No. 1012 contains language that authorizes the Department to implement the provisions of the Medicaid expansion within the ACA; and appropriates the federal funds for the expansion.

The Executive Budget also includes $9.1 million to cover the expected costs of the "previously eligible" individuals. This is a group that is expected to apply for coverage – **regardless of whether there is a Medicaid expansion**. These are individuals who are eligible for Medicaid today, but have not applied for coverage – perhaps because they did not know they qualified, perhaps because they did not have a medical need. In 2014, when the individual mandate within the ACA is in force and considerable federal outreach occurs, it is expected that these individuals will apply for coverage. Those found eligible based on eligibility rules currently in place, will be enrolled in Medicaid and the services they receive will be eligible for 50 percent federal match (which is the Federal Medical Assistance Percentage, effective October 1, 2013) rather than the 100 percent federal funding for the expansion population.

The Executive Budget also accounts for the changes expected due to moving Medicaid and Healthy Steps eligibility determinations for all non-disabled and non-elderly individuals to modified adjusted gross income. Currently, North Dakota uses net income for eligibility determination purposes; however, the ACA requires the transition to a modified adjusted gross income (MAGI) test. There are expected implications of

this change, including children who will move from Medicaid to Healthy Steps and children who will move from Healthy Steps to Medicaid. The Department expects to have to accommodate these changes in the Medicaid and CHIP State Plans and in the technology systems that support the programs. We await final information on how the conversion to MAGI will impact coverage for children.

Other ACA-Related Provisions

Provider enrollment and screening

The ACA requires the Secretary of Health and Human Services, in consultation with the Department of Health and Human Services' Office of the Inspector General, to establish procedures under which screening is conducted with respect to providers of medical or other items or services and suppliers under Medicare, Medicaid, and CHIP. The Act requires the Secretary to determine the level of screening to be conducted according to the risk of fraud, waste, and abuse with respect to the category of provider or supplier. The Act requires the Secretary to impose a fee on each institutional provider of medical or other items or services or supplier, to be used by the Secretary for program integrity efforts, which include requirements for states to comply with the process of screening providers and suppliers and imposing temporary enrollment moratoria for the Medicaid program as established by the Secretary under 1866(j)(2) and (7) of the Act.

The ACA requires state Medicaid agencies to terminate the participation of any individual or entity if such individual or entity is terminated under Medicare or any other state Medicaid plan.

The Department is releasing a Request for Proposal for the implementation of the screening requirements (licensing lists, checking Social Security Administration Death Master File, site visits, etc.). The Department currently checks the two federal exclusion lists for newly-enrolling providers. The eventual contract will include checking the federal exclusion lists and the list of individuals and entities terminated under Medicare and other state Medicaid plans, for all Medicaid providers on a monthly basis.

Recovery Audit Contractor

The ACA requires states to establish a Recovery Act Contractor (RAC) program to enable the auditing of claims for services furnished by Medicaid providers. Pursuant to the statute, Medicaid RACs must: (1) identify overpayments, (2) recoup overpayments, and (3) identify underpayments. The Department has entered into a contract for the RAC program with Cognasante. The vendor has received claims information and is working with staff to understand payment policy and reimbursement requirements so they can begin their audits.

Increase in Physician Reimbursement

Section 1202 of the ACA provides increased payments for certain Medicaid primary care services. Under this provision, certain physicians that provide eligible primary care services would be paid the Medicare rates in effect in Calendar Years 2013 and 2014 (or if greater, the Medicare rate in effect in 2009). States will receive 100 percent Federal Financial Participation (FFP) for the difference between the Medicaid state plan payment amount as of July 1, 2009, and the applicable Medicare rate.

The Department does not expect to receive the 100 percent FFP for physician services, as the North Dakota Medicaid physician fees were greater than the Medicare fees as of July 1, 2009.

Based on the requirements of the ACA, and in accordance with the final rule published on November 6, 2012, the Department expects to increase vaccine administration fees; however, we do not have the final information on the increase in fees or the impact of the increase on program expenditures. We expect to receive the necessary information to be able to finalize our efforts in January. The incremental increase will be financed with 100 percent federal funds, for Calendar Year 2013 and Calendar Year 2014. There is no indication as to what happens with the financing of the increased fees in subsequent years.

Overview of Budget

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	7,563,195	8,593,529	1,030,334
Operating	33,883,524	39,099,835	5,216,311
Grants – Medical Assistance	659,018,818	645,463,150	(13,555,668)
Total	700,465,537	693,156,514	(7,309,023)
General Funds	235,840,610	292,166,123	56,325,513
Federal Funds	428,567,639	359,155,407	(69,412,232)
Other Funds	36,057,288	41,834,984	5,777,696
Total	700,465,537	693,156,514	(7,309,023)

FTE	54.50	56.50	2.0

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $1,030,334 and can be attributed to the following:

- $187,536 in total funds of which $100,628 is general fund is to fund the Governor's benefit package for health insurance and retirement for state employees.
- $201,240 in total funds of which $131,430 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $317,772 in total funds of which $141,194 is general fund needed to fund the continuation of the FTE authorized during the 2011 special Legislative session.
- $195,567 of which $88,165 is general fund needed to fund two FTE needed to assist with the additional workload resulting from the Affordable Care Act, regardless of a Medicaid expansion. The two positions consist of a Pharmacy Technician and a Coding Specialist. These two FTE were transferred from other areas of the Department. This budget is not requesting the authorization of any additional FTE.
- The remaining $128,219 is a combination of increases and decreases needed to sustain the salary of the 56.50 FTE in this area of the budget.

The Operating line item increased by $5.2 million (15.4 percent) and is a combination of the increases and decreases expected next biennium. The majority of the increase is due to the changes in operating fees and services as follows:

- $3.2 million of the operating increase is due to the Medicare Part D Clawback, which is funded with general fund dollars and estate collections.
- $316,000 in total funds of which $158,000 is general fund for additional contracted services to address the increased expectations for Medicaid program integrity.
- $262,000 in total funds of which $131,000 is general fund needed to fund the Division's development and tracking of quality assurance measures.
- $1.8 million in total funds of which $88,661 is general fund needed to fund the increase in Money Follows the Person contracts.
- Decrease of $126,051 in total funds of which $55,160 is general fund in the Children's Health Insurance Program External Quality Review contract.
- Decrease of $100,000 of which $55,160 is general fund for a Utilization Review contract that was anticipated in the previous budget, but was determined to not be needed.
- The remaining $151,949 is a combination of increases and decreases made to contracts within the Medical Services Division.

The Executive Budget for Medical Grants is $645.5 million, which is a **decrease** of $13.6 million. Please refer to Attachment I for a walk-through of each service area for detail on the net decrease in this area.

Attachment J is a cost and caseload comparison of the 2011-2013 Traditional Medical Grants Appropriation to the 2013-2015 Budget to the House for the top twelve services. These services represent 92 percent of the Traditional Medical Grants.

Attachment K shows each Traditional Medicaid Service comparing the 2011-2013 Budget, 2011-2013 Projected Need, and the 2013-2015 Executive Budget request.

To provide perspective on "where the money goes," please see Attachment L, which provides the number of providers by county and total dollars paid to those providers for dates of service in State Fiscal Year 2012.

This concludes my testimony on the 2013-2015 budget request for the Traditional Medicaid and Children's Health Insurance Programs. I would be happy to answer any questions.

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 for those 65 and older in Institutions for Mental Disease (IMD)
Laboratory X-ray	Optometrists / Eyeglasses	Intermediate Care Facility Services
Nursing Facility Services for beneficiaries age 21 and older	Psychologists	Inpatient Psychiatric Services for those Under Age 21
EPSDT for under age 21	Nurse Anesthetist	Personal Care Services
Family Planning Services and 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 and Dentures	Non-Emergency Transportation Services
60 Days Post Partum Pregnancy-Related Services	Physical Therapy and Occupational Therapy	Nursing Facility Services for those Under Age 21
Home Health Services (Nursing), including Durable Medical Equipment and Supplies	Speech, Hearing, Language Therapy	Emergency Hospital Services in Non-Medicare Participating Hospital
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)

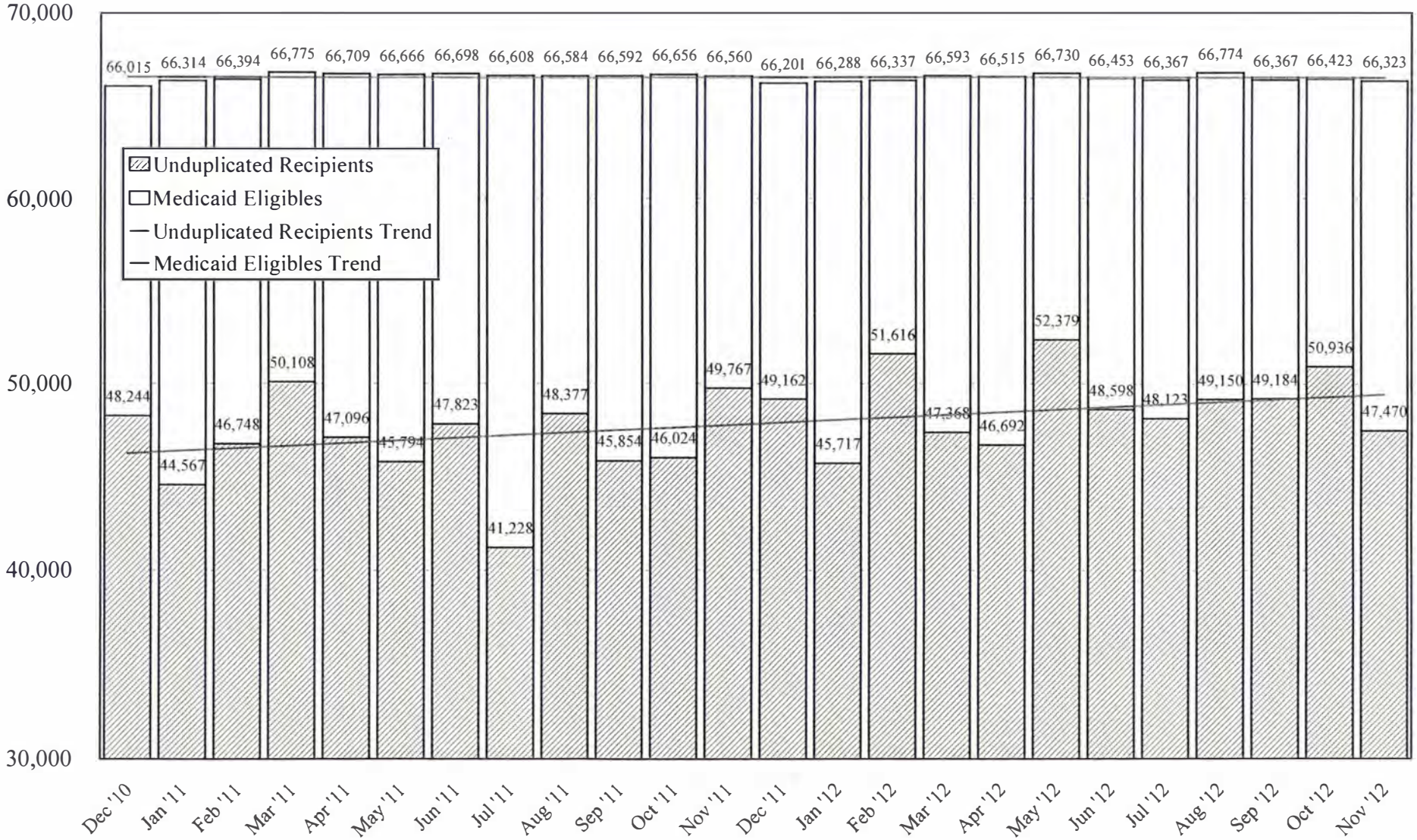
North Dakota Department of Human Services
Medical Services Division

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 and older once every 2 years	$75 Inpatient Hospital
Eye exams for Individuals 21 and older once every 2 years	$3 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-name 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 Medicaid Eligibles (Including QMB's Only, SLMB's Only & QI's) and Unduplicated Recipients
December 2010 - November 2012



Medicaid Eligibles, for the period August '09 to the present, have been restated to include QMB, SLMB, and QI premium recipients.
Starting with August of the 11-13 biennium, "Unduplicated Recipients" includes Indian Health and PACE recipients.

FA-12/19/12-cj-1315legis\eligiblestrendin

Attachment D

UNDUPLICATED COUNT OF MEDICAID CASES AND RECIPIENTS

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	NUMBER OF CASES	PERCENT OF TOTAL CASES	NUMBER OF RECIPIENTS	PERCENT OF TOTAL RECIPIENTS	PERCENT OF COUNTY POPULATION RECEIVING	2011 COUNTY POPULATION ESTIMATE *	COUNTY POPULATION AS A PERCENT OF STATE POPULATION
1 Adams	127	0.27%	196	0.22%	8.50%	2,307	0.34%
2 Barnes	904	1.94%	1,586	1.75%	14.35%	11,056	1.62%
3 Benson	1,127	2.42%	3,084	3.41%	45.87%	6,723	0.98%
4 Billings	16	0.03%	26	0.03%	3.19%	816	0.12%
5 Bottineau	398	0.86%	758	0.84%	11.76%	6,443	0.94%
6 Bowman	153	0.33%	229	0.25%	7.31%	3,134	0.46%
7 Burke	89	0.19%	178	0.20%	8.76%	2,033	0.30%
8 Burleigh	5,024	10.80%	9,316	10.30%	11.20%	83,145	12.16%
9 Cass	9,256	19.90%	18,268	20.20%	11.99%	152,368	22.28%
10 Cavalier	205	0.44%	369	0.41%	9.37%	3,939	0.58%
11 Dickey	362	0.78%	665	0.74%	12.51%	5,317	0.78%
12 Divide	128	0.28%	234	0.26%	11.01%	2,125	0.31%
13 Dunn	194	0.42%	354	0.39%	9.52%	3,720	0.54%
14 Eddy	211	0.45%	374	0.41%	15.71%	2,380	0.35%
15 Emmons	202	0.43%	329	0.36%	9.28%	3,546	0.52%
16 Foster	186	0.40%	331	0.37%	9.91%	3,341	0.49%
17 Golden Valley	100	0.21%	192	0.21%	10.96%	1,752	0.26%
18 Grand Forks	4,425	9.51%	8,520	9.42%	12.79%	66,598	9.74%
19 Grant	154	0.33%	281	0.31%	12.02%	2,337	0.34%
20 Griggs	142	0.31%	237	0.26%	9.99%	2,372	0.35%
21 Hettinger	137	0.29%	231	0.26%	9.18%	2,515	0.37%
22 Kidder	119	0.26%	246	0.27%	10.19%	2,414	0.35%
23 LaMoure	179	0.38%	309	0.34%	7.53%	4,105	0.60%
[illegible] ogan	123	0.26%	203	0.22%	10.23%	1,985	0.29%
[illegible] cHenry	337	0.72%	653	0.72%	11.86%	5,505	0.80%
[illegible] McIntosh	216	0.46%	364	0.40%	13.15%	2,769	0.40%
27 McKenzie	460	0.99%	1,092	1.21%	15.56%	7,019	1.03%
28 McLean	517	1.11%	962	1.06%	10.61%	9,068	1.33%
29 Mercer	394	0.85%	711	0.79%	8.42%	8,449	1.24%
30 Morton	1,962	4.22%	3,780	4.18%	13.63%	27,734	4.06%
31 Mountrail	602	1.29%	1,325	1.46%	16.36%	8,097	1.18%
32 Nelson	227	0.49%	368	0.41%	12.04%	3,057	0.45%
33 Oliver	66	0.14%	141	0.16%	7.70%	1,830	0.27%
34 Pembina	445	0.96%	852	0.94%	11.60%	7,342	1.07%
35 Pierce	345	0.74%	609	0.67%	13.92%	4,375	0.64%
36 Ramsey	1,151	2.47%	2,075	2.29%	18.12%	11,452	1.67%
37 Ransom	408	0.88%	709	0.78%	13.12%	5,403	0.79%
38 Renville	126	0.27%	226	0.25%	9.08%	2,490	0.36%
39 Richland	1,063	2.29%	2,133	2.36%	13.13%	16,245	2.38%
40 Rolette	2,582	5.55%	6,092	6.73%	42.88%	14,206	2.08%
41 Sargent	152	0.33%	273	0.30%	7.19%	3,798	0.56%
42 Sheridan	100	0.21%	195	0.22%	14.90%	1,309	0.19%
43 Sioux	916	1.97%	2,488	2.75%	58.13%	4,280	0.63%
44 Slope	17	0.04%	29	0.03%	4.04%	718	0.10%
45 Stark	1,685	3.62%	2,826	3.12%	11.22%	25,177	3.68%
46 Steele	70	0.15%	160	0.18%	8.21%	1,950	0.29%
47 Stutsman	1,731	3.72%	2,947	3.26%	13.99%	21,062	3.08%
48 Towner	158	0.34%	300	0.33%	13.25%	2,264	0.33%
49 Traill	495	1.06%	935	1.03%	11.48%	8,147	1.19%
50 Walsh	961	2.07%	1,794	1.98%	16.26%	11,032	1.61%
51 Ward	3,642	7.83%	6,837	7.56%	10.67%	64,072	9.37%
52 Wells	302	0.65%	558	0.62%	13.17%	4,237	0.62%
53 Williams	1,425	3.06%	2,503	2.77%	10.27%	24,374	3.56%
Total	46,516	100.00%	90,453	100.00%	13.23%	683,932	100.00%

Data presented by Human Service Center Region on page 15

[illegible]rce: Data obtained via job ES399510

[illegible]e 1. Annual Estimates of the Resident Population for Counties of North Dakota: April 1, 2010 to July 1, 2011 (CO-EST2011-01-38)

[illegible]ce: U.S. Census Bureau, Population Division, Release Date: April 2012

[illegible]://www.census.gov/popest/data/counties/totals/2011/CO-EST2011-01.html

Attachment E

UNDUPLICATED COUNT OF MEDICAID RECIPIENTS BY AGE GROUP

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	TOTAL RECIPIENTS	AGE GROUP				
		0-5	6-18	19-20	21-64	65 and over
1 Adams	196	42	43	1	58	52
2 Barnes	1,586	314	440	44	541	247
3 Benson	3,084	748	1,174	95	953	114
4 Billings	26	9	6	2	8	1
5 Bottineau	758	185	198	25	239	111
6 Bowman	229	62	61	10	49	47
7 Burke	178	44	64	8	52	10
8 Burleigh	9,316	2,449	2,504	331	3,182	850
9 Cass	18,268	4,799	5,363	680	6,334	1,092
10 Cavalier	369	59	108	13	108	81
11 Dickey	665	173	158	20	170	144
12 Divide	234	55	58	7	73	41
13 Dunn	354	88	104	13	105	44
14 Eddy	374	75	109	3	116	71
15 Emmons	329	57	93	12	88	79
16 Foster	331	62	96	6	95	72
17 Golden Valley	192	53	78	5	40	16
18 Grand Forks	8,520	2,305	2,382	347	2,925	561
19 Grant	281	45	86	11	68	71
20 Griggs	237	47	63	9	57	61
21 Hettinger	231	53	73	6	53	46
22 Kidder	246	62	86	10	65	23
23 LaMoure	309	62	93	6	84	64
24 Logan	203	45	45	2	42	69
25 McHenry	653	139	212	19	207	76
26 McIntosh	364	70	85	11	85	113
27 McKenzie	1,092	296	410	41	292	53
28 McLean	962	205	306	24	289	138
29 Mercer	711	164	199	28	202	118
30 Morton	3,780	914	1,147	104	1,247	368
31 Mountrail	1,325	370	433	66	384	72
32 Nelson	368	53	95	12	120	88
33 Oliver	141	45	39	5	40	12
34 Pembina	852	192	286	24	243	107
35 Pierce	609	116	180	28	154	131
36 Ramsey	2,075	457	610	90	684	234
37 Ransom	709	146	193	23	203	144
38 Renville	226	51	64	8	54	49
39 Richland	2,133	536	675	83	651	188
40 Rolette	6,092	1,500	2,066	224	2,045	257
41 Sargent	273	65	83	10	77	38
42 Sheridan	195	38	60	12	58	27
43 Sioux	2,488	594	863	110	869	52
44 Slope	29	6	10	0	5	8
45 Stark	2,826	772	729	86	853	386
46 Steele	160	40	55	4	49	12
47 Stutsman	2,947	641	807	108	1,037	354
48 Towner	300	68	89	9	86	48
49 Traill	935	214	275	24	272	150
50 Walsh	1,794	425	550	63	543	213
51 Ward	6,837	1,769	2,011	243	2,287	527
52 Wells	558	119	133	17	194	95
53 Williams	2,503	729	751	87	731	205
Total	90,453	22,627	26,901	3,229	29,466	8,230
Percent of Total	100.00%	25.02%	29.74%	3.57%	32.58%	9.10%

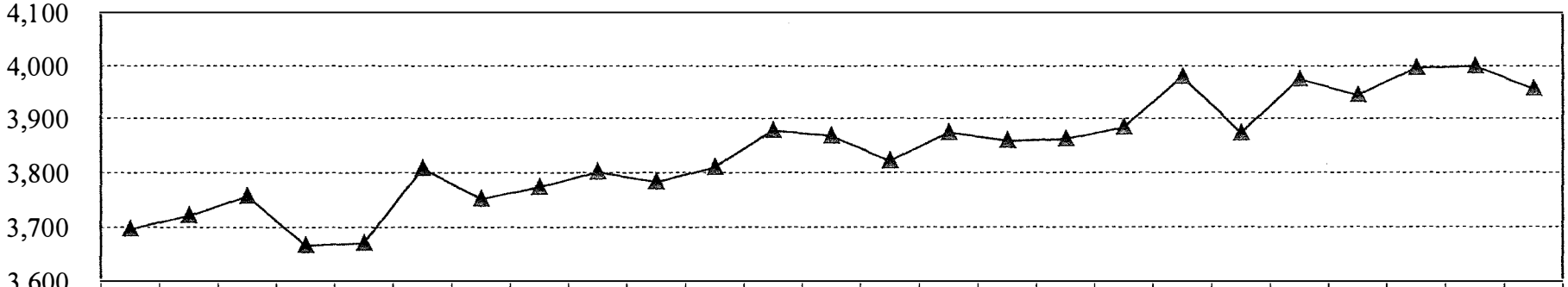
*Age is based on the number of years between the birth month and the person's last Medicaid benefit month in the year.

North Dakota Department of Human Services

Attachment F

Healthy Steps Premiums Paid by Month

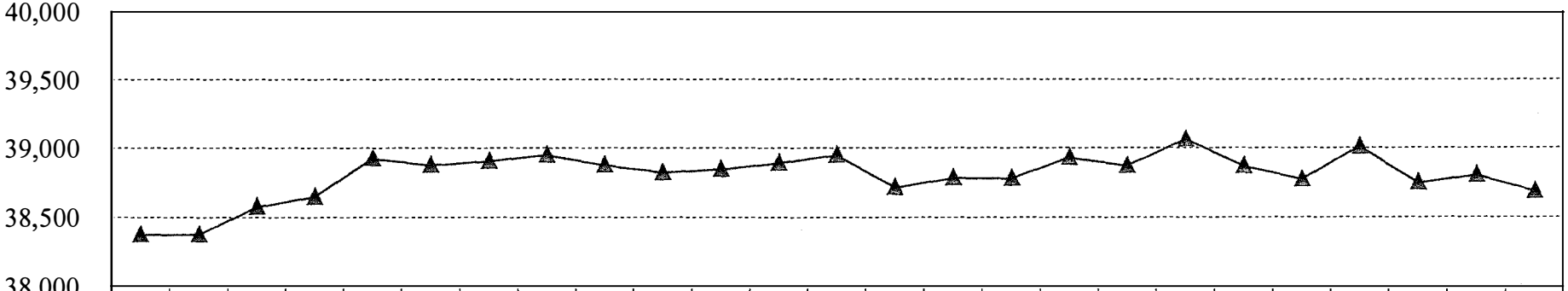
November 2010 - November 2012



Nov '10	Dec '10	Jan '11	Feb '11	Mar '11	Apr '11	May '11	Jun '11	Jul '11	Aug '11	Sep '11	Oct '11	Nov '11	Dec '11	Jan '12	Feb '12	Mar '12	Apr '12	May '12	Jun '12	Jul '12	Aug '12	Sep '12	Oct '12	Nov '12
3,696	3,721	3,757	3,666	3,670	3,807	3,752	3,773	3,801	3,783	3,809	3,877	3,867	3,821	3,873	3,858	3,861	3,883	3,979	3,872	3,975	3,944	3,996	3,999	3,956

Children Enrolled in Medicaid by Month

November 2010 - November 2012



Nov '10	Dec '10	Jan '11	Feb '11	Mar '11	Apr '11	May '11	Jun '11	Jul '11	Aug '11	Sep '11	Oct '11	Nov '11	Dec '11	Jan '12	Feb '12	Mar '12	Apr '12	May '12	Jun '12	Jul '12	Aug '12	Sep '12	Oct '12	Nov '12
38,375	38,375	38,576	38,646	38,921	38,873	38,902	38,948	38,875	38,821	38,845	38,888	38,947	38,712	38,782	38,780	38,930	38,871	39,061	38,869	38,773	39,010	38,747	38,801	38,686

North Dakota Department of Human Services
INCOME ELIGIBILITY LEVELS
Effective April 1, 2012

Family Size	Family Coverage (1931)	Medically Needy 83% of Poverty	SSI (Effective 01/01/13)	Children Age 6 to 19 and QMB 100% of Poverty	SLMB 120% of Poverty	Pregnant Women & Child to Age 6 133% of Poverty	QI-1 135% of Poverty	Healthy Steps 160% of Poverty	Transitional Medicaid 185% of Poverty	Caring for Children & Children with Disabilities & Women's Way 200% of Poverty	Workers with Disabilities 225% of Poverty
1	$311	$ 773	$ 710	$ 931	$ 1,117	$1,238	$1,257	$1,490	$1,723	$1,862	$2,095
2	417	1,047	1,068	1,261	1,513	1,677	1,703	2,018	2,333	2,522	2,837
3	523	1,321		1,591	1,909	2,116	2,148	2,546	2,944	3,182	3,580
4	629	1,595		1,921	2,305	2,555	2,594	3,074	3,554	3,842	4,322
5	735	1,869		2,251	2,701	2,994	3,039	3,602	4,165	4,502	5,065
6	841	2,143		2,581	3,097	3,433	3,485	4,130	4,775	5,162	5,807
7	947	2,416		2,911	3,493	3,871	3,930	4,658	5,386	5,822	6,550
8	1,053	2,690		3,241	3,889	4,311	4,376	5,186	5,996	6,482	7,292
9	1,159	2,964		3,571	4,285	4,750	4,821	5,714	6,607	7,142	8,035
10	1,265	3,238		3,901	4,681	5,189	5,267	6,242	7,217	7,802	8,777
+1*	107	274		330	396	439	446	528	611	660	743

Spousal Impoverishment Levels			
Community Spouse Minimum Asset Allowance (Effective 01/01/13)	Community Spouse Maximum Asset Allowance (Effective 01/01/13)	Community Spouse Income Level (Effective 01/01/03)	Income Level for each Additional Individual (Effective 04/01/12)
$23,184	$115,920	$2,267	$630

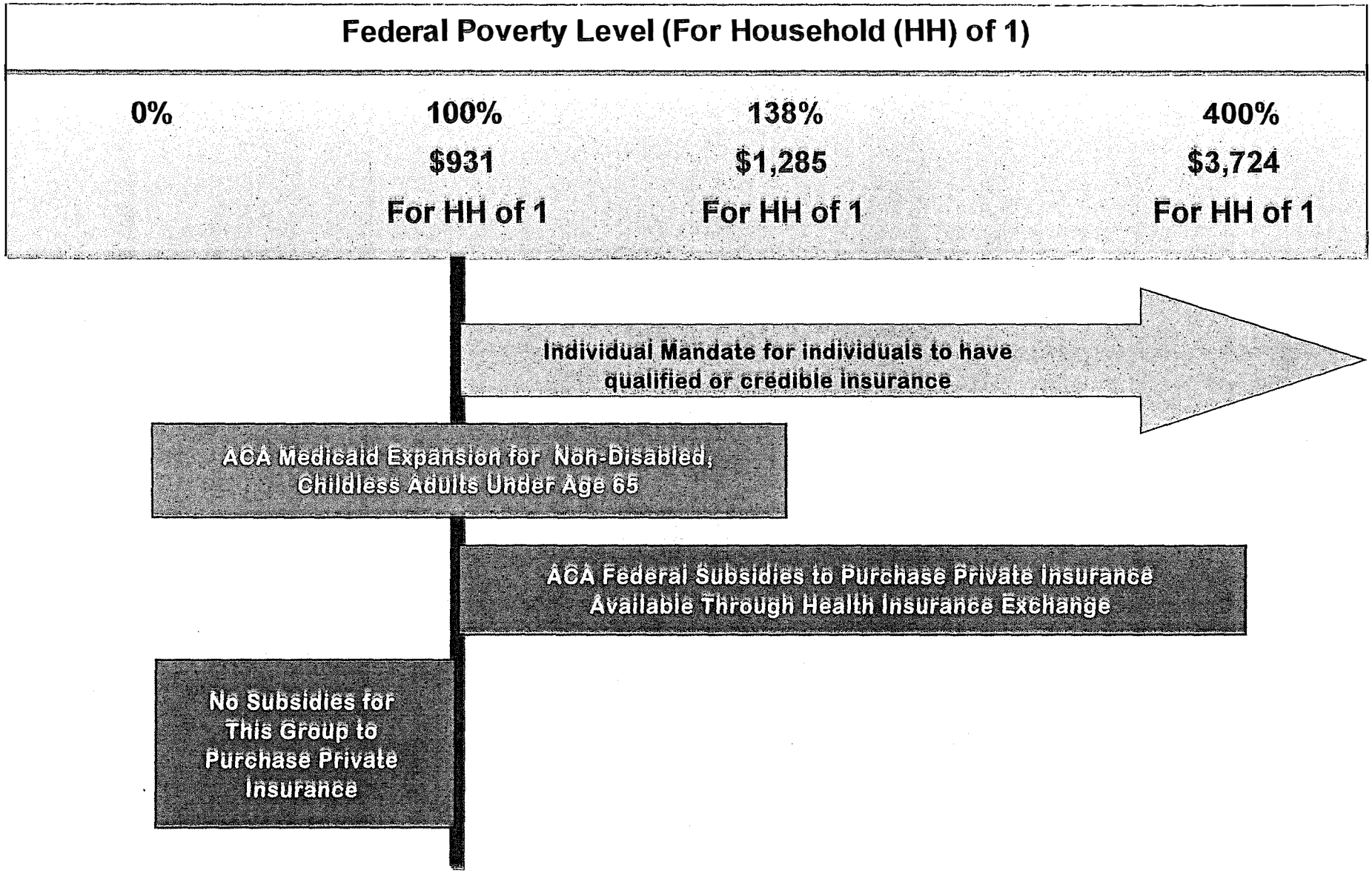
Average Cost of Nursing Facility Care	
Average Monthly Cost of Care (Effective 01/01/13)	Average Daily Cost of Care (Effective 01/01/13)
$6,792	$223.30

Notes: Nursing Home personal needs allowance increased from $40 to $50 effective with the benefit month of 01/01/02.
ICF/ID and Basic Care personal needs allowance increased from $50 to $85 effective 1/1/2010.

Attachment H

North Dakota Department of Human Services
Affordable Care Act (ACA)

Medicaid Expansion Illustration



Attachment I

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To House

Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital-Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	2013-2015 Budget To House
Inpatient Hospital	162,198,550	17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186
Outpatient Hospital	74,249,400	8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840
Critical Access Hospitals	3,454,061	(3,454,061)	0						1,261,094		(2,192,967)	1,261,094
One-Time Hospital Grant	200,000	(200,000)	0								(200,000)	0
Physician Services	104,734,864	7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536
Drugs - NET (Includes Rebates)	50,513,555	(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905
Dental Services	24,029,520	286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103
Premiums	29,183,783	(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120
Psychiatric Residential Treatment Facilities	21,987,286	1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748
Durable Medical Equipment	8,147,456	(841,440)	709,224		481,968						349,752	8,497,208
Ambulance Services	5,487,816	218,040	1,784,536		453,600						2,456,176	7,943,992
Federally Qualified Health Centers	5,169,468	1,968,794	783,395		0						2,752,189	7,921,657
Indian Health Services ^	29,480,212	(10,883,860)	11,733,168								849,308	30,329,520
Other Services	109,646,243	(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043
Chiropractic Services	1,278,500	148,380	62,920		90,712						302,012	1,580,512
Disease Management	2,667,876	8,103,257	(8,880,672)		0						(777,415)	1,890,461
Electronic Health Records Incentive Payment ^	64,895,312	(59,111,300)	0								(59,111,300)	5,784,012
Foster Care Family Support	1,095,372	198,076	363,968		100,652						662,696	1,758,068
Home Health Services	3,200,414	742,682	149,304		164,001						1,055,987	4,256,401
Hospice Services	718,770	(65,491)	81,651								16,160	734,930
Laboratory & Radiology	2,084,924	(455,660)	64,112		102,880						(288,668)	1,796,256
ND Health Tracks - EPSDT Screenings	5,448,860	(321,172)	83,736		317,244						79,808	5,528,668
Occupational Therapy	1,236,548	(41,556)	(62,128)		68,756						(34,928)	1,201,620
Optometry Services	5,013,484	61,360	(309,128)		191,264						(56,504)	4,956,980
Private Duty Nursing			60,760		3,708						64,468	64,468
Physical Therapy	1,375,476	43,308	167,432		96,156						306,896	1,682,372
Psychological Services	6,783,048	(560,280)	753,896		424,304						617,920	7,400,968
Rural Health Clinics	4,020,152	14,004	(1,188,821)		0					1,393,875	219,058	4,239,210
Special Education ^^	3,609,348	175,316	(1,063,736)		165,976						(722,444)	2,886,904
Speech & Hearing Services	1,386,232	157,696	(210,264)		81,096						28,528	1,414,760
Targeted Case Mgt - DJS Alt Care ^^	558,480	3,272	(91,776)		25,353						(63,151)	495,329
Targeted Case Mgt - Pregnant Women	52,700	1,724	24,048		4,808						30,580	83,280
Targeted Case Mgt - Wrap Around^^^	2,688,799	122,889	315,040		190,172						628,101	3,316,900
Targeted Case Mgt - Tribal			23,816		1,432						25,248	25,248
Transportation Services	1,531,948	1,311,164	46,312		174,272						1,531,748	3,063,696
											0	0
Total (Excluding Healthy Steps)	**628,482,214**	**(30,446,875)**	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952**
Healthy Steps	27,524,402	3,948,927	1,870,741								5,819,668	33,344,070
Total Medical Assistance	**656,006,616**	**(26,497,948)**	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022**
General Funds	**205,544,821**	**14,709,574**	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101**

^ Indian Health Services & Electronic Health Records Incentive Payments are 100% federally funded.

^^ Only federal funds are in the DHS budget. The matching funds are in other state agency budgets.

^^^ The State share is paid with County funds there are no general funds associated with TCM-Wrap Around

Attachment J

Cost and Caseload Comparison

2013-2015 Executive Budget To the House

Compared to 2011 - 2013 Biennium

Description	2011-2013 Budgeted Avg Monthly Cost per Case	2013-2015 Budgeted Avg Monthly Cost per Case	Difference: Increase (Decrease)	2011-2013 Budgeted Avg Monthly Caseload	2013-2015 Budgeted Avg Monthly Caseload	Difference: Increase (Decrease)
Inpatient Hospital	1,216.81	1,403.37	186.56	5,554	5,464	(90)
Outpatient Hospital	16.87	19.20	2.33	183,413	158,994	(24,419)
Physician Services	18.79	22.12	3.33	232,254	229,064	(3,190)
Net Drugs (Includes Rebates)	39.09	32.58	(6.51)	53,840	57,373	3,533
Premiums	133.36	119.55	(13.81)	9,118	9,109	(9)
Dental Services	65.94	74.39	8.45	15,183	16,250	1,067
Psychiatric Residential Treatment Facilities	372.68	399.51	26.83	81	69	(12)
Durable Medical Equipment	1.99	1.94	(0.05)	170,877	182,867	11,990
Federally Qualified Health Systems	124.89	164.16	39.27	1,725	2,011	286
Ambulance Services	14.74	16.08	1.34	15,513	20,579	5,066
Indian Health Services**	148.02	5.74	(142.28)	1,915	50,836	48,921
Healthy Steps	272.67	311.79	39.12	4,206	4,456	250

** Indian Health cost per case and the monthly average caseload are not comparable between bienniums as prescription drugs are now reported on a per pill basis rather than per perscription which significantly distorts the numbers between bienniums. Indian Health expenditures are funded with 100% Federal Funds.

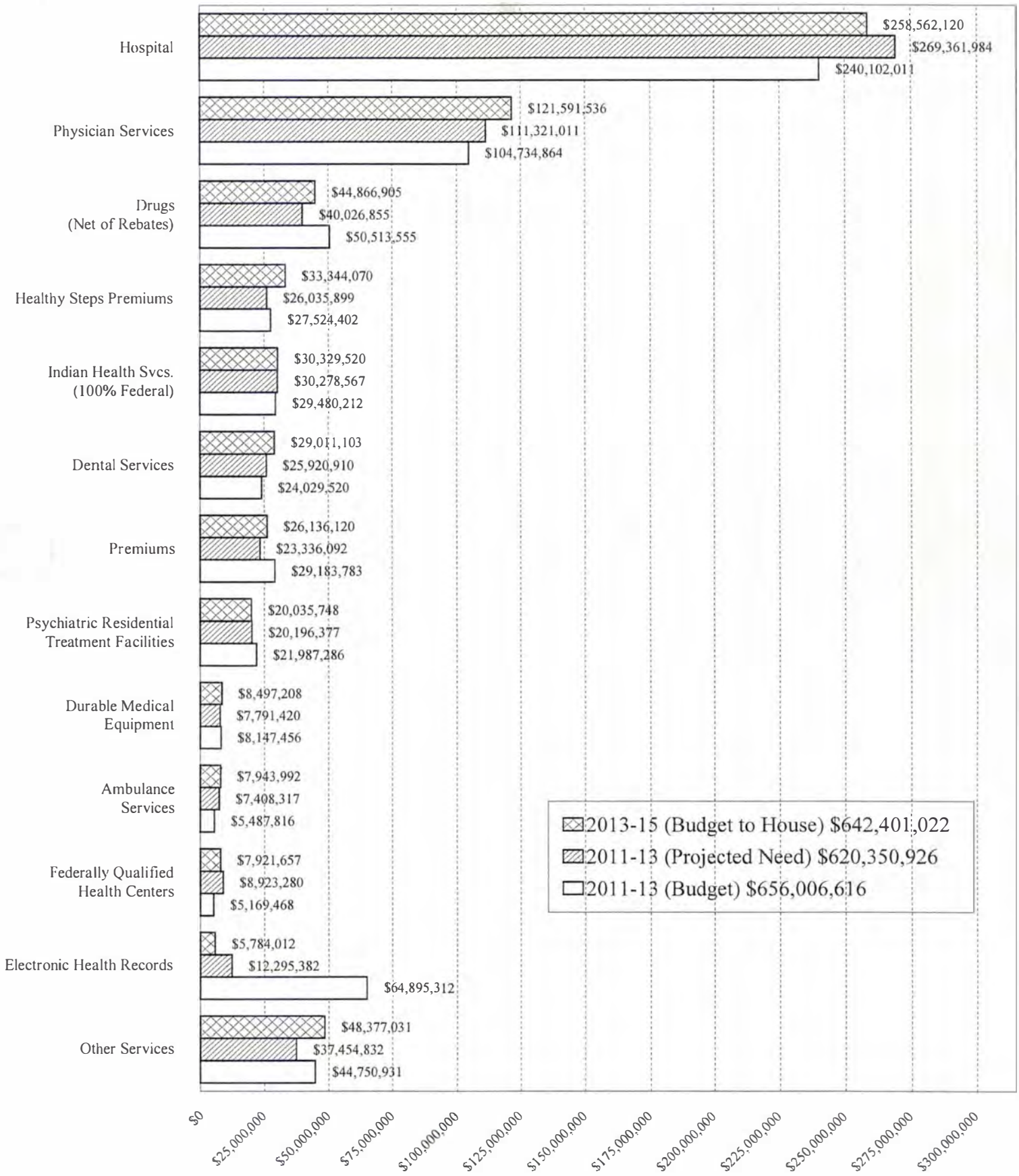
North Dakota Department of Human Services

Attachment K

Medical Services

2011-13 and 2013-15 Biennium Comparisons

House Bill 1012 (2013 - 2015 Biennium)



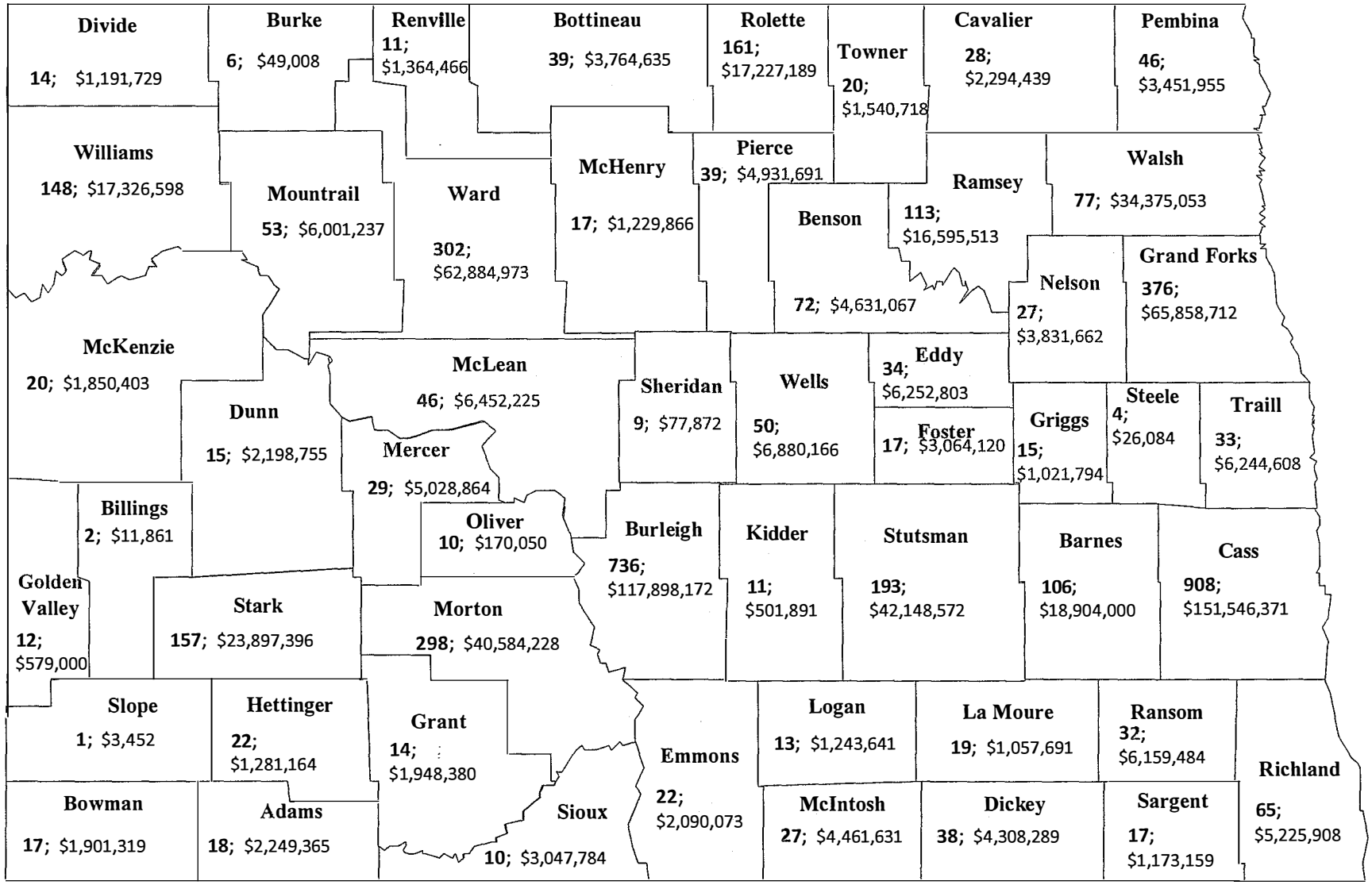
FA-12/27/12-cj-\1315legis\med comp H

North Dakota Department of Human Services
Medical Services Division

Providers and Claims Paid by County

Dates of Service – State Fiscal Year 2012

Attachment L



County 99 – Out-of-State Providers: **521**; $25,717,268

REV. 01-03-2013

HB 1012
1/16/13 AM
Attachment 2

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January ~~15, 2013~~ 16, 2013

Chairman Pollert, members of the House Appropriations - Human Resources Division, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services (Department). 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 the Developmentally Disabled Community-Based Care grants; 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; the Medicaid Technology-Dependant Waiver; Personal Care; the Program for All-Inclusive Care of the Elderly (PACE); Targeted Case Management; Children's Medically Fragile Waiver, Children's Hospice Waiver, and the Medicaid Home and Community-Based Services Waiver.

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.

I will provide an overview of the Long-Term Care Continuum budget, with the exception of the Developmental Disabilities grants, which will be provided by Tina Bay, Director of the Developmental Disabilities Division.

Program Trends

Nursing Facilities

As of September 30, 2012, the percentage of Medicaid-eligible individuals in nursing facilities was 52 percent. Attachment A shows the Licensed and Occupied Nursing Facility Beds since October 2010, and Attachment B shows the Medicaid occupied beds. Based on the September 30, 2012 occupancy reports, 35 facilities were below 90 percent occupancy. The average occupancy for these 35 facilities is 81 percent. (Two years ago when the Department presented budget testimony, there were 24 facilities below 90 percent occupancy.)

Basic Care

The number of basic care beds available and utilized by individuals who are Medicaid eligible has increased during the current biennium. There has been considerable change in the basic care area with several facilities closing, several new facilities opening or planning development or expansion projects, and others increasing or decreasing their licensed capacity. The Department has accounted for these changes in the development of the 2013-2015 budget estimate.

Home and Community-Based Services

Home and Community-Based Services (HCBS) continue to provide an array of services determined to be essential and appropriate to sustain individuals in their homes and in their communities, and to delay or prevent institutional care. HCBS staff work closely with county case managers and providers to ensure clients have the services they need in a timely and efficient manner. Ongoing collaboration occurs between HCBS staff and the Centers for Medicare and Medicaid Services (CMS) to identify changes in federal requirements and to continually enhance

quality measures to assure clients and families are receiving the appropriate services to meet their needs.

Enrollment into HCBS has remained consistent with equal numbers of people leaving as coming into the program. The number one reason for dis-enrolling from services has been death of the individual, which indicates that home and community-based services are able to assist individuals and families longer within their homes when independent skills begin to fail.

Major Program Changes

2011 House Bill 1325 allowed a Nursing Home bed layaway. According to information from the Health Department, as of July 1, 2012, nine nursing homes had utilized this provision by de-licensing 107 beds. One reason that facilities de-license beds is to ensure they are over the 90% occupancy limit, which positively impacts their nursing facility rates.

2011 Senate Bill 2077 as enacted required individuals applying for assistance under the Basic Care Assistance Program to apply for, and if eligible, to receive benefits under the Medicaid program. The bill also added a new chapter to Title 50 of the North Dakota Century Code relating to Expanded Service Payments for the Elderly and Disabled (ExSPED). Section 8 of 2013 House Bill 1012 requests replacing "and" with "or" which will correct an oversight made in this bill.

During the interim, the Department launched an online billing tutorial to assist qualified service providers (QSPs) with accurate billing practices. By using the online system, QSPs experience fewer delays in payments caused by common billing errors.

Currently, the HCBS staff is conducting statewide education sessions for QSPs which are intended to provide information to currently participating QSPs and hopefully recruit additional individuals to become QSPs.

The HCBS audit processes have been enhanced to maximize the use of technology and improve workflow. This has allowed the Division to increase the number of audits conducted each year. In addition to annual audits of case management service in each county, in 2011, 85 QSP audits were completed, and for 2012, 165 QSP audits were completed.

The Medical Services Division is also updating the background check process to capture necessary information pertaining to new providers who are from out of state.

Medically Fragile Waiver:

The Children with Medically Fragile Needs waiver is seeing a slow increase in families accessing the services. Currently, there are seven children receiving services through the waiver, with another soon to transition from the Early Intervention program. Since the beginning of the waiver in 2008, fourteen families have been assisted with this waiver.

Children's Hospice Waiver:

Since the beginning of the waiver in 2010, two families have been assisted with maintaining their terminally-ill child within their home until the end of life. This waiver helps North Dakota families cope with the additional financial burden of having a child with a terminal illness and encourages families to maintain their child in the home.

Money Follows the Person Demonstration Grant

The federal government awarded the Department a Money Follows the Person (MFP) grant in 2007. The MFP Grant is designed to assist states with increasing the use of home and community-based services to meet the long-term service needs for Medicaid-eligible individuals. Grantees are expected to assure individuals receive support and services in settings of their choice and to provide quality assurance for eligible individuals receiving Medicaid home and community-based long-term care services.

MFP grant funds help eligible individuals who are elderly or have physical, intellectual or other disabilities and who live in nursing homes, the Developmental Center, or other institutions transition to community settings.

A MFP Stakeholders Committee was formed in 2007 to assist in development and implementation of North Dakota's MFP grant program. The committee meets quarterly and is composed of consumers, provider agencies, advocacy organizations, and staff of the Department. One primary purpose of the committee is to assist the state in addressing barriers to the provision of home and community-based services for the elderly and individuals with disabilities.

The MFP demonstration effort has been a tremendous success. To date, the grant has assisted 125 individuals in transitioning from institutional care. The demonstration effort is also intended to identify areas of the system where changes could be made that would support individuals receiving the necessary supports in a home or community-based setting. This effort allows the Department to test a variety of services to facilitate transitions and support the needs of those transitioned and will help

determine if these services are important for eventual implementation into the HCBS area. Some of these activities include:

MFP Housing Initiative

The North Dakota Center for Persons with Disabilities at Minot State University is under contract to implement the MFP Housing Initiative which includes identifying housing needs, developing a searchable housing registry, working with state housing agencies on housing issues, and assisting MFP clients with housing searches.

Nurse Quality Program

St. Alexius Home Health and Hospice is under contract to provide an on-site health assessment prior to and after transition to review health-related needs and make recommendations on support services and follow-up with service delivery.

North Dakota State Hospital (NDSH) Transition Assistance

MFP Rebalancing funds have been used to assist with one-time transition costs for consumers discharging from the NDSH to a community setting. The assistance provides up to $2,500 per person to pay for items such as deposits, furniture, assistive technology, household supplies etc. Fifteen individuals have been assisted through November 2012.

Transition Adjustment Support

MFP has developed a new demonstration service to provide up to 120 days of educational supervision to individuals returning to live in the community. To date, this service has been used by seven individuals.

Direct Service Workforce Development Coordinator

CMS has approved MFP administrative money to fund a temporary position to assist with the development of all types of direct service workers. Having an adequate direct work force has been identified as one of the most important components of balancing and institutional diversion.

A look at MFP Transitions:

Grant Year	Older Adult	Individuals with a physical disability	Individuals with ID/DD	Children	TOTAL
2007	0	0	0	0	0
2008	1	1	3	0	5
2009	4	7	4	0	15
2010	4	6	16	0	26
2011	5	8	19	0	32
2012	13	21	12	1	47
Totals	27	43	54	1	125

Please refer to Attachment C, which shows the results of the MFP Quality of Life Survey that shows responses to several questions posed to individuals who have transitioned at zero, eleven and twenty-four months, post-transition.

Overview of Budget Changes

Description	2011-2013 Budget	2013-2015 Budget	Increase/ Decrease
Nursing Homes	459,836,020	501,294,823	41,458,803
Basic Care	25,972,395	36,280,327	10,307,932
Personal Care Community	29,149,905	27,867,758	(1,282,147)
SPED	13,782,988	14,533,161	750,173
Ex-SPED	942,224	1,326,945	384,721
Targeted Case Management	1,564,749	1,735,896	171,147
Home and Community Based Services	9,538,386	12,933,078	3,394,692
Children's Medically Fragile Waiver	318,780	141,288	(177,492)
Tech Dependent Waiver	500,136	394,440	(105,696)
PACE	9,370,980	10,312,381	941,401
Children's Hospice Waiver	974,430	121,797	(852,633)
Total	**551,950,993**	**606,941,894**	**54,990,901**
General Fund	253,988,879	314,462,985	60,474,106
Federal Funds	293,940,268	289,371,883	(4,568,385)
Other Funds	4,021,846	3,107,026	(914,820)
Total	**551,950,993**	**606,941,894**	**54,990,901**
FTE	-	-	-

Nursing Homes

The Executive Budget was based on Medicaid nursing home days paid.

The monthly average days are projected to be:

92,199	–	Nursing Facility
426	–	Dakota Alpha
1,460	–	Geropsych Unit
1,186	–	Swing Bed
2,494	–	Hospice Room and Board
1,187	–	Out of State
98,952		Total

Attachment D shows historical information on expenditures and average daily nursing facility rates.

Upper Payment Limit

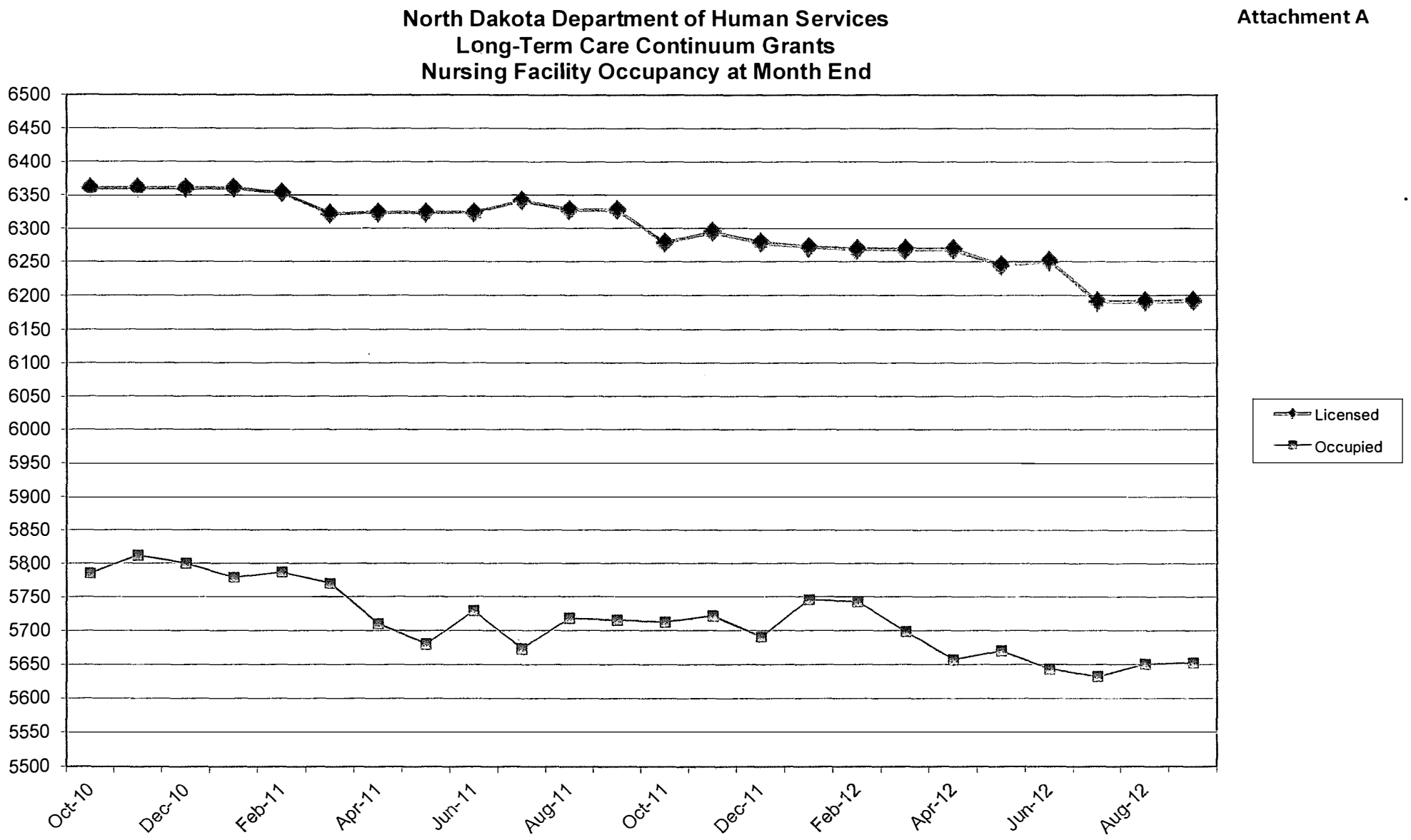
Language regarding the Upper Payment Limit is included in Section 6 of House Bill 1012. The Medicaid regulations contain a requirement that Medicaid payments to institutional providers, including nursing facilities, in the aggregate, cannot exceed what Medicare would pay, in the aggregate, for the same care. This is known as the Upper Payment Limit (UPL). The UPL must be calculated yearly for each type of facility: private, state-government owned, and non-state government owned.

Attachment E shows the changes in the Long-Term Care Continuum Budget from 2011-2013 Appropriation to the 2013-2015 Budget to the House.

Attachment F is a cost and caseload comparison of the 2011-2013 Appropriation to the 2013-2015 Budget to the House.

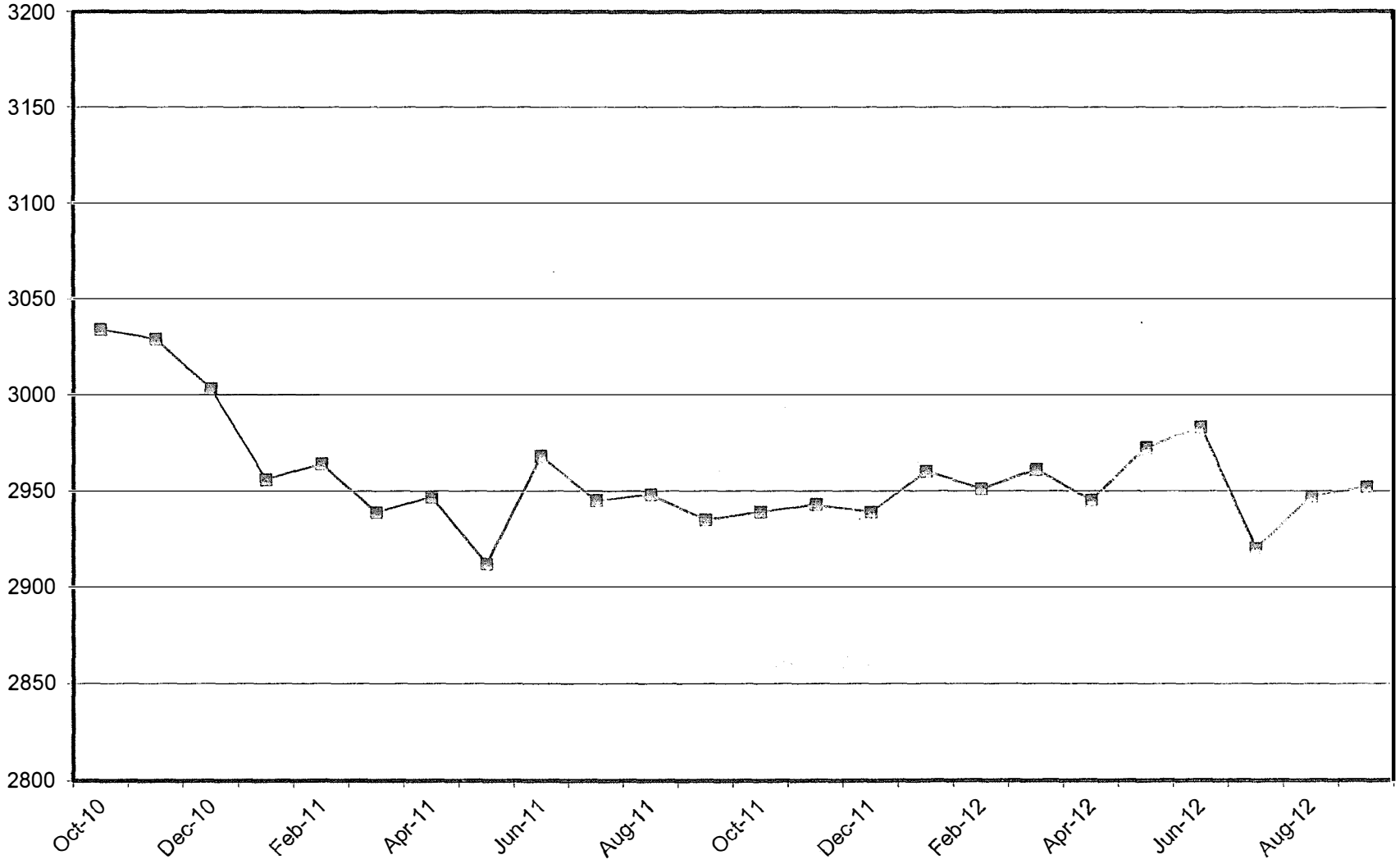
I would be happy to answer any questions you may have.

Attachment A



Attachment B

North Dakota Department of Human Services
Long-Term Care Continuum Grants
Nursing Facility Occupancy at Month End Medicaid ONLY



MFP Quality of Life Survey

Trend Data

Figure 1: Do you like where you live?

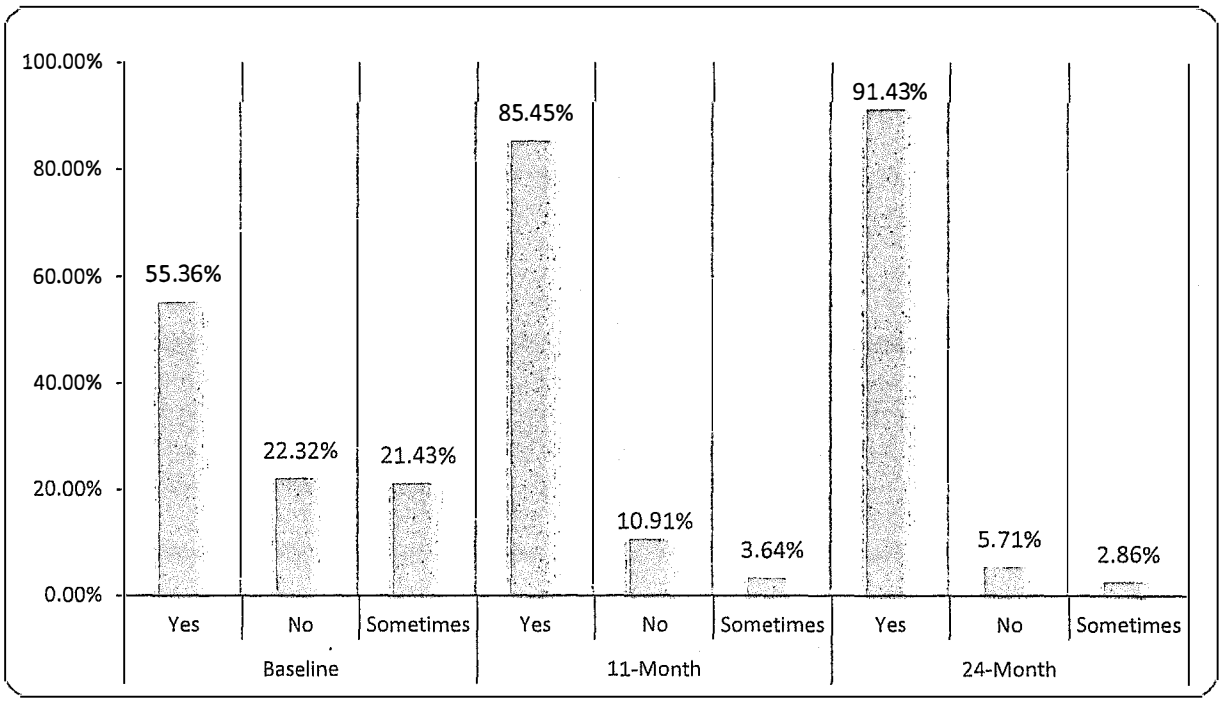


Figure 2: Do you ever go without taking your medicine when you need it?

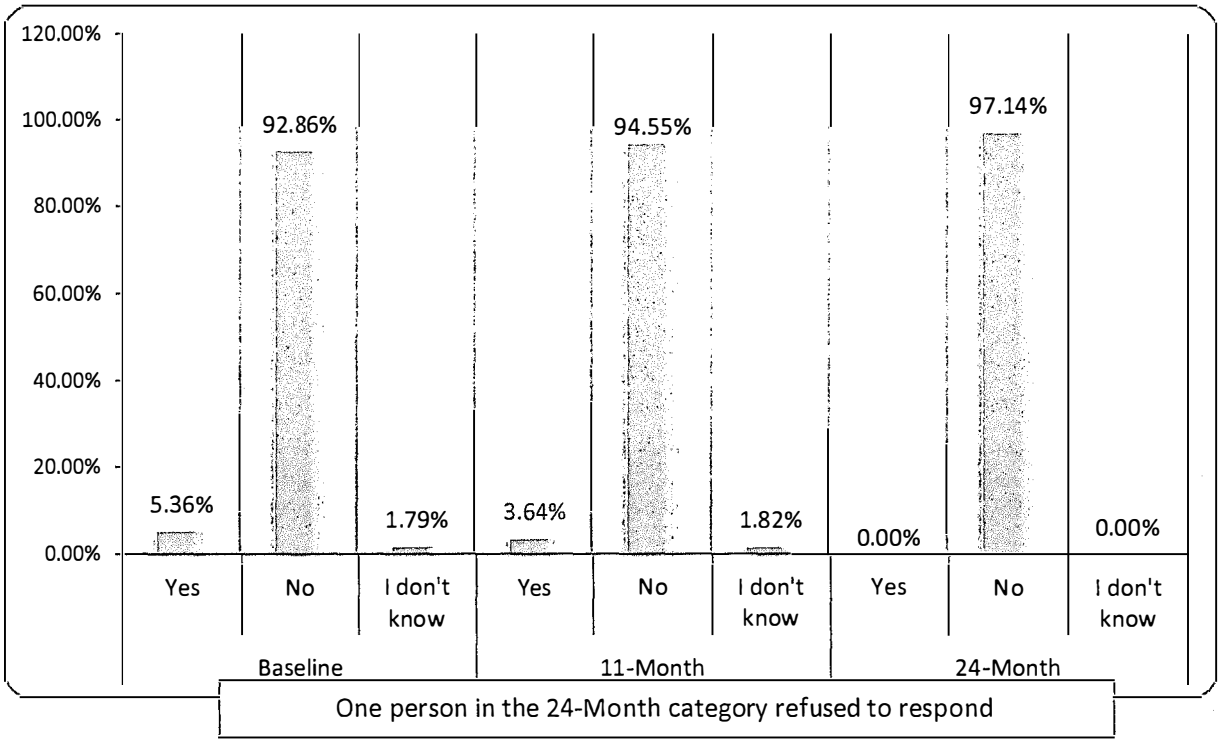
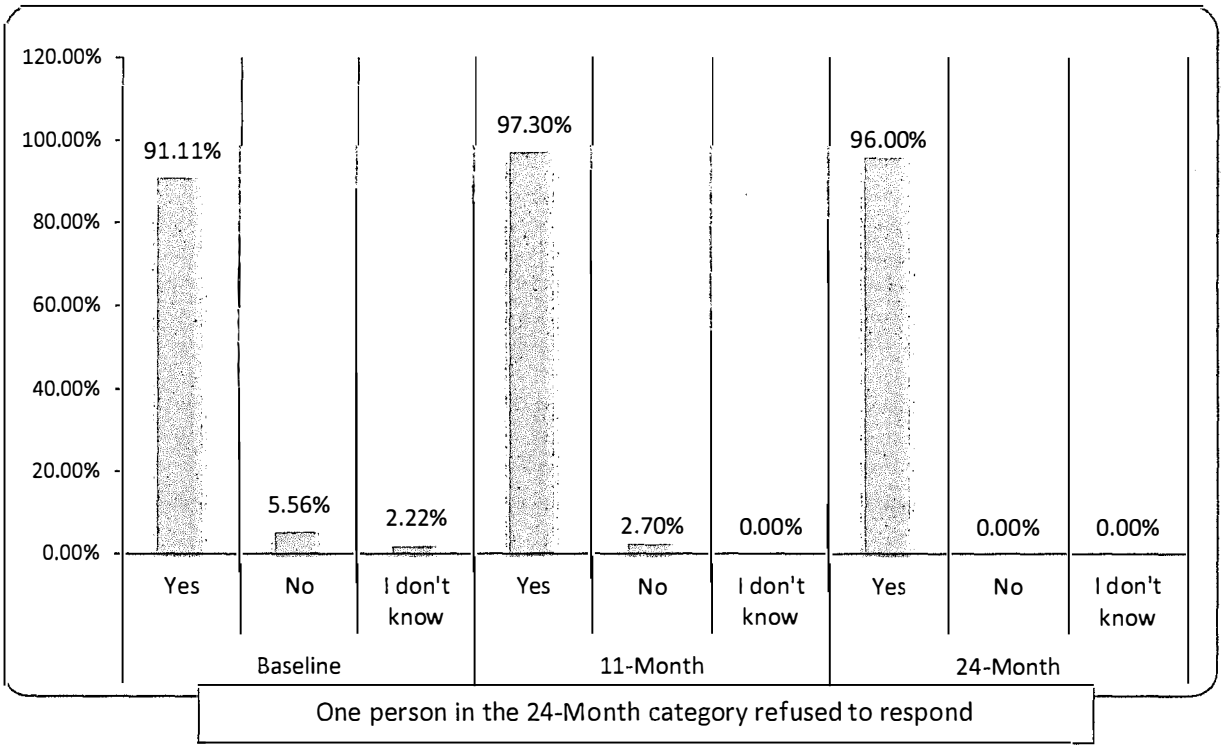


Figure 3: Do the people who help you treat you the way you want them to?



Prepared 12-12-2012

Figure 5: Can you get to the places you need to go, like work, shopping, or the doctor's office?

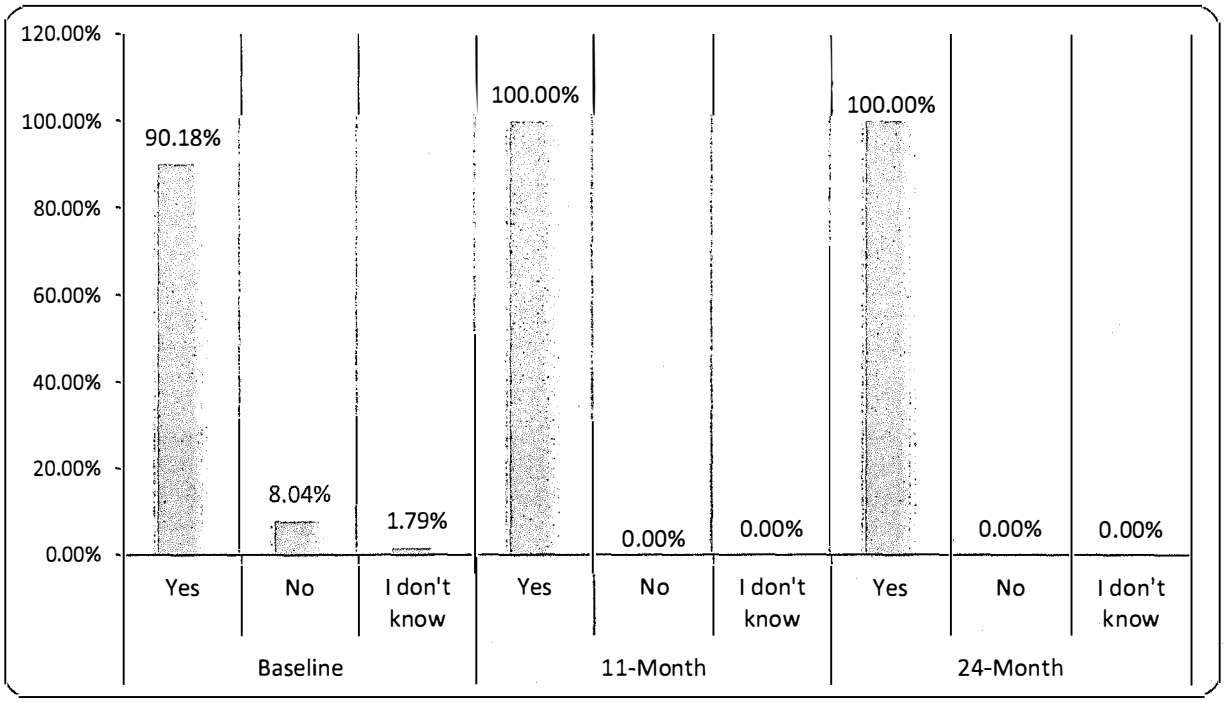
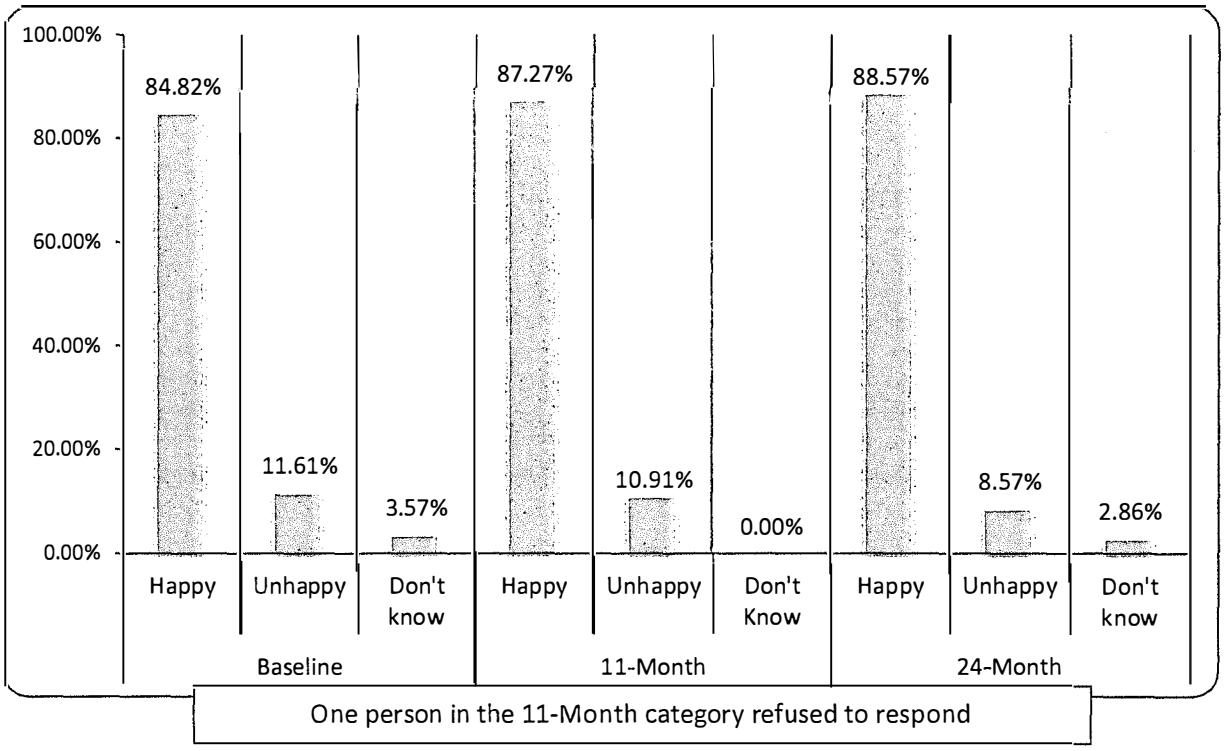


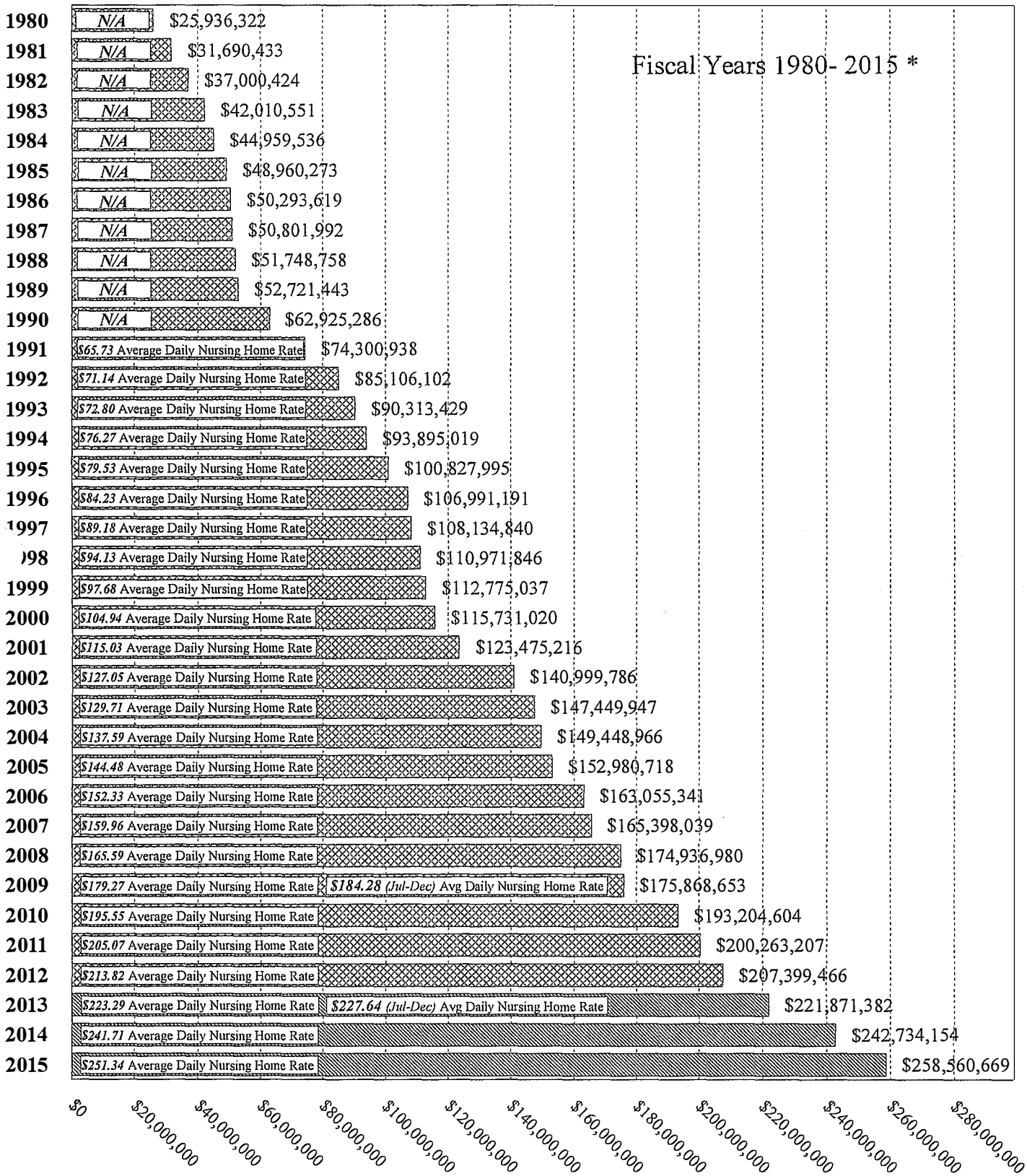
Figure 4: Taking everything into consideration, during the past week have you been happy or unhappy with the help you get with things around the house or getting around your community?



Prepared 12-12-2012

Attachment D

North Dakota Department of Human Services
Nursing Home Facilities
House Bill 1012
2013 - 2015 Biennium



* 1980 through 2012 represents actual expenditures.
2013 represents two months actual and ten months estimated expenditures.
2014 and 2015 represents estimated expenditures included in the Governor's budget.
The average daily nursing home rate is effective January 1 of each year as indicated.

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Attachment E

North Dakota Department of Human Services
Changes in Long Term Care from 2011-2013 Appropriation to 2013-2015 Budget To House

Service Description	2011-2013 Appropriation	Funding Shift	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	LTC Staff Rate Increase 50¢	Provide 7 Home Delivered Meals a Week SPED and Ex-SPED	Extended Personal Care Services for SPED	Net Cost of Personal Care with Supervision	Personal Needs Allowance Nursing Facilities $50 to $65	Personal Needs Allowance Basic Care $85 to $100	QSP Mileage Differential	Total Changes	2013-2015 Budget To House
Nursing Facilities	459,836,020		26,868,091	(14,084,129)		16,962,510	10,686,766				1,025,565			41,458,803	501,294,823
Basic Care	25,972,395		1,345,905	3,984,743		1,681,316	3,102,243					193,725		10,307,932	36,280,327
Home & Community Based Services	66,142,578		(3,099,244)	(1,604,107)	0	3,123,814	2,291,123	68,961	135,774	141,112	0	0	2,166,733	3,224,166	69,366,744
SPED ^^	13,782,988		(1,211,140)	(1,003,416)		703,846	984,582	47,410	135,774				1,093,117	750,173	14,533,161
Ex-SPED ^^^	942,224		(130,071)	257,332		66,114	47,808	21,551					121,987	384,721	1,326,945
Personal Care Services	29,149,905		(2,863,506)	(1,400,506)		1,515,251	769,143						697,471	(1,282,147)	27,867,758
Targeted Case Management	1,564,749		33,003	38,509		99,635								171,147	1,735,896
Home & Community Based Services Waiver	9,538,386		671,799	1,140,151		697,882	489,590			141,112			254,158	3,394,692	12,933,078
Children's Medically Fragile Waiver	318,780		(52,992)	(132,888)		8,388								(177,492)	141,288
Technology Dependent Waiver	500,136		(7,584)	(123,132)		25,020								(105,696)	394,440
PACE	9,370,980		476,074	465,327										941,401	10,312,381
Children's Hospice Waiver	974,430		(14,827)	(845,484)		7,678								(852,633)	121,797
Total	551,950,993	0	25,114,752	(11,703,493)	0	21,767,640	16,080,132	68,961	135,774	141,112	1,025,565	193,725	2,166,733	54,990,901	606,941,894
General Funds	253,988,879	546,786 *	10,959,514	(4,655,921)	30,371,840	11,515,673	9,127,323	66,587	128,982	70,556	512,780	193,725	1,636,261	60,474,106	314,462,985

Other Areas:

Community of Care Funds $120,000 for both the 11-13 and 13-15 Biennium's- 100% General Fund

Personal Care Needs Allowance SSI $108,000 for the 11-13 Biennium. Plus an additional $70,875 to increase the allowance from $50 to $65 per month, for a total budget of $178,875 for 13-15 Biennium- 100% General Fund

^^ SPED is funded with 95% general funds and 5% county funds.

^^^ Expanded SPED is funded with 100% general funds.

* IGT Funds of $546,786 provided for the 24 month Bed Layaway program were replaced with General Funds.

Attachment F

Cost and Caseload Comparison

2013 - 2015 Executive Budget To the House

Compared to 2011 - 2013 Biennium

Description	2011-2013 Budgeted Avg Monthly Cost per Case ^	2013-2015 Budgeted Avg Monthly Cost per Case ^	Difference: Increase (Decrease)	2011-2013 Budgeted Avg Monthly Caseload *	2013-2015 Budgeted Avg Monthly Caseload *	Difference: Increase (Decrease)
Nursing Homes (Daily Rates)	187.73	211.09	23.36	102,058	98,952	(3,106)
Basic Care (Daily Rates)	66.29	80.81	14.52	16,326	18,706	2,380
Personal Care	1,810.10	1,777.51	(32.59)	671	653	(18)
Technology Dependent Waiver	10,419.32	10,885.58	466.26	2	2	-
Children's Medically Fragile Waiver	1,473.38	1,305.35	(168.03)	9	5	(4)
SPED	425.40	476.81	51.41	1,350	1,270	(80)
Expanded SPED	287.61	302.54	14.93	137	183	46
PACE	4,620.80	4,855.17	234.37	85	89	4
Targeted Case Management	133.74	144.88	11.14	488	499	11
HCBS Waiver	1,215.55	1,453.48	237.93	327	371	44
Children's Hospice Waiver	2,460.68	2,569.88	109.20	17	2	(15)

^ With the exception of Nursing Homes and Basic Care which are daily rates all other categories are average monthly cost per case.

* Nursing Homes and Basic Care caseload represents the number of "Days" paid in a month for recipients. All other categories represent the number of recipients paid for in a month.

HB 1012
1/16/13 - PM
Attachment 1

Department of Human Services
HB 1012
Summary of General Fund Increases

		Expressed in Millions
FMAP changes		$ 93.3
Provider Increases		$ 55.8
4% Provider Inflationary Increase Each Year of the Biennium	$ 40.9	
$.50 per Hour Wage Pass Through for Nursing Homes, Basic Care and DD providers and $.50 per Hour Fee for QSPS	$ 14.9	
Net Cost Changes for Programs that we Cannot Control		$ 47.4
Increase in Governor's Salary & Benefit Package, Continuing Yr 2 Salary Increase & Oil Patch Add On		$ 30.1
Increases in ITD Technology Costs & Computer Projects		$ 8.0
Increase to Address Capacity Issues at the Human Service Centers		$ 4.1
Increase in Medicare Part D Clawback Payment		$ 3.2
Fund Extraordinary Repairs and Capital Improvements		$ 2.8
Increase in Home & Community Based Care Services, Including a Mileage Differential for QSPs		$ 2.8
Other Capacity, Enhancements & Provider Requests		$ 2.3
Community Based Sex Offender High Risk Treatment Program	$ 0.3	
Post Adoption	$ 0.1	
Peer Support	$ 0.3	
Healthy Families	$ 0.3	
Statewide 2-1-1 Service	$ 0.2	
TBI Facilitators	$ 0.3	
Centers for Independent Living	$ 0.8	
Continuation of Cost Based Reimbursement for Critical Access Hospitals (Lab & CRNA) & Rebasing of Rural Health Clinics to Medicare Rates		$ 1.3
DD and Aging Guardianship Programs		$ 1.2
Caseload / Utilization for programs that we cannot control		$ (3.8)
Largest Changes - $11.3 million increase in Developmental Disability Grants, offset by decreases in Traditional Medical Assistance Grants of $11.0 million and Nursing Home Grants of $6.2 million.		
Decrease of One-Time Funding		$ (16.2)
Miscellaneous (1%)		$ 2.5
Total General Fund Increase		**$ 234.8**

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 100-15 ADMINISTRATION - SUPPORT									
S101		FULL-TIME EQUIVALENTS (FTEs)		76.600	65.600	0.000	1.000	0.000	66.600
32510	B	511000 Salaries - Permanent		6,739,718	6,681,166	3,188,330	770,142	0	7,451,308
32510	B	511900 Salary Budget Adjustment		0	0	0	0	24,358,884	24,358,884
32510	B	512000 Salaries-Other		0	0	0	3,768,000	0	3,768,000
32510	B	513000 Temporary Salaries		82,334	84,464	41,637	(76,365)	0	8,099
32510	B	514000 Overtime		27,970	8,700	7,231	(8,700)	0	0
32510	B	516000 Fringe Benefits		2,542,654	2,631,188	1,210,814	210,407	0	2,841,595
32510	B	599161 Health Increase		0	0	0	0	152,876	152,876
32510	B	599162 Retirement Increase		0	0	0	0	77,101	77,101
			Subtotal:	9,392,676	9,405,518	4,448,012	4,663,484	24,588,861	38,657,863
32510	F	F_1991 Salary - General Fund		4,792,789	5,494,587	2,428,435	3,434,442	16,946,584	25,875,613
32510	F	F_1992 Salary - Federal Funds		4,599,887	3,910,931	2,019,577	1,229,042	7,642,277	12,782,250
			Subtotal:	9,392,676	9,405,518	4,448,012	4,663,484	24,588,861	38,657,863
32530	B	521000 Travel		311,279	438,854	186,944	145,716	0	584,570
32530	B	531000 Supplies - IT Software		16,497	18,820	14,789	11,133	0	29,953
32530	B	532000 Supply/Material-Professional		14,744	16,336	8,161	1,284	0	17,620
32530	B	536000 Office Supplies		34,613	17,893	10,131	5,783	0	23,676
32530	B	541000 Postage		1,460,364	1,314,749	608,261	330,257	0	1,645,006
32530	B	542000 Printing		147,208	170,718	81,791	(10,331)	0	160,387
32530	B	553000 Office Equip & Furniture-Under		17,610	6,800	3,835	1,700	0	8,500
32530	B	571000 Insurance		106,405	166,228	75,536	(76,233)	0	89,995
32530	B	581000 Rentals/Leases-Equip & Other		113,846	137,976	46,946	(27,574)	0	110,402
32530	B	582000 Rentals/Leases - Bldg/Land		321,477	329,618	164,676	29,270	0	358,888
32530	B	591000 Repairs		27,523	29,680	16,423	18,350	0	48,030
32530	B	601000 IT - Data Processing		5,489	6,525	3,201	780	0	7,305
32530	B	602000 IT-Communications		784,854	776,927	409,725	24,385	0	801,312
32530	B	603000 IT Contractual Services and Re		87	100	40	(100)	0	0
32530	B	611000 Professional Development		88,375	80,149	39,359	3,091	0	83,240
32530	B	621000 Operating Fees and Services		466,395	327,101	279,744	186,110	0	513,211

HB 1012
1/16/13 - PM
Attachment 2

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 100-15 **ADMINISTRATION - SUPPORT**								
32530	B	623000 Fees - Professional Services	1,500,814	1,653,040	575,307	291,378	0	1,944,418
		Subtotal:	5,417,580	5,491,514	2,524,869	934,999	0	6,426,513
32530	F	F_3991 Operating - General Fund	2,239,427	2,309,715	980,202	263,344	0	2,573,059
32530	F	F_3992 Operating - Federal Funds	3,178,153	3,181,799	1,544,667	671,655	0	3,853,454
		Subtotal:	5,417,580	5,491,514	2,524,869	934,999	0	6,426,513
		Subdivision Budget Total:	14,810,256	14,897,032	6,972,881	5,598,483	24,588,861	45,084,376
		General Funds:	7,032,216	7,804,302	3,408,637	3,697,786	16,946,584	28,448,672
		Federal Funds:	7,778,040	7,092,730	3,564,244	1,900,697	7,642,277	16,635,704
100-15 **ADMINISTRATION - SUPPORT**		**Other Funds:**	0	0	0	0	0	0
		SWAP Funds:	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0
		Subdivision Funding Total:	14,810,256	14,897,032	6,972,881	5,598,483	24,588,861	45,084,376

Admin Support - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 24,805	$ 334,083	$ -	$ 358,888

Description	Square Footage	Square Foot	General Fund	Federal Funds	Other Funds	Total
Judicial Wing (Capitol) - Office Space	30,041.00	11.29		298,402		298,402
Judicial Wing (Capitol) - Storage Space	3,434.00	1.39		4,200		4,200
Denny's Storage			2,554	1,286		3,840
Century Center Rent (Provider Audit)	1,580.00	14.50	22,071	23,749		45,820
Prairie Hills Plaza	202.56	15.74		6,376		6,376
Booth Rental for Career Fairs			180	70		250

Admin Support - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

$41,859	$ 471,352	$ -	$ 513,211

Description	General Fund	Federal Funds	Other Funds	Total
Service Awards	5,434	3,797		9,231
SBAND & CPA Licenses Fees	2,171	2,379		4,550
Supervisory and other Training for DHS Staff	6,834	2,666		9,500
Statewide Indirect Costs - Paid to OMB		432,898		432,898
Freight & Express	11,553	16,390		27,943
Other Miscellaneous Fees and Services	2,874	3,043		5,917
Document Management Services	2,422	2,250		4,672
County Administration Reviews	5,653	2,847		8,500
MMIS Legal Contract	4,918	5,082		10,000

Admin Support - 2013-15 Biennium Budget

Budget Account Code 623000 - Professional Fees and Services

$ 928,689	$ 1,005,649	$ -	$ 1,944,418

Description	General Fund	Federal Funds	Other Funds	Total
Office of the State Auditor	200,067	105,381		315,528
Attorney General's Office	424,880	458,447		883,327
Office of Adminstrative Hearings	303,742	441,821		745,563

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-42 DD COUNCIL									
S101		FULL-TIME EQUIVALENTS (FTEs)		1.000	1.000	0.000	0.000	0.000	1.000
32510	B	511000	Salaries - Permanent	108,763	119,447	47,752	817	0	120,264
32510	B	516000	Fringe Benefits	38,571	42,648	17,711	1,075	0	43,723
32510	B	599161	Health Increase	0	0	0	0	2,282	2,282
32510	B	599162	Retirement Increase	0	0	0	0	1,175	1,175
			Subtotal:	147,334	162,095	65,463	1,892	3,457	167,444
32510	F	F_1992	Salary - Federal Funds	147,334	162,095	65,463	1,892	3,457	167,444
			Subtotal:	147,334	162,095	65,463	1,892	3,457	167,444
32530	B	521000	Travel	24,299	23,082	4,197	(3,339)	0	19,743
32530	B	532000	Supply/Material-Professional	158	200	0	0	0	200
32530	B	535000	Miscellaneous Supplies	2,960	3,657	310	(2,357)	0	1,300
32530	B	536000	Office Supplies	398	1,800	225	(1,200)	0	600
32530	B	542000	Printing	1,722	8,000	3,348	(300)	0	7,700
32530	B	553000	Office Equip & Furniture-Under	689	0	0	0	0	0
32530	B	582000	Rentals/Leases - Bldg/Land	600	1,000	0	0	0	1,000
32530	B	591000	Repairs	89	0	0	0	0	0
32530	B	601000	IT - Data Processing	69	0	0	0	0	0
32530	B	602000	IT-Communications	0	400	0	0	0	400
32530	B	603000	IT Contractual Services and Re	42	0	0	0	0	0
32530	B	611000	Professional Development	14,096	11,794	6,163	(674)	0	11,120
32530	B	621000	Operating Fees and Services	20,147	82,719	221	(81,719)	0	1,000
			Subtotal:	65,269	132,652	14,464	(89,589)	0	43,063
32530	F	F_3992	Operating - Federal Funds	65,269	132,652	14,464	(89,589)	0	43,063
			Subtotal:	65,269	132,652	14,464	(89,589)	0	43,063
32560	B	712000	Grants, Benefits & Claims	767,965	621,142	282,544	78,858	0	700,000
			Subtotal:	767,965	621,142	282,544	78,858	0	700,000

HB 1012
1/16/13 - PM
Attachment 3

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-42 DD COUNCIL							
32560 F	F_6992 Grants - Federal Funds	767,965	621,142	282,544	78,858	0	700,000
	Subtotal:	767,965	621,142	282,544	78,858	0	700,000
	Subdivision Budget Total:	980,568	915,889	362,471	(8,839)	3,457	910,507
	General Funds:	0	0	0	0	0	0
	Federal Funds:	980,568	915,889	362,471	(8,839)	3,457	910,507
300-42 DD COUNCIL	**Other Funds:**	0	0	0	0	0	0
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	980,568	915,889	362,471	(8,839)	3,457	910,507

DD Council - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

$ -	$ 1,000	$ -	$ 1,000

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Misc. booth/conference room rental				1,000		1,000

DD Council - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

$ -	$ 1,000	$ -	$ 1,000

Description	General Fund	Federal Funds	Other Funds	Total
Braille Services		400		400
Council Promotional Materials		400		400
Freight & Express		200		200

DD Council - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants

		$ 700,000	$ -	$ 700,000

Vendor Contracts	General Fund	Federal Funds	Other Funds	Total Funds
Education/Early Intervention	-	100,146		100,146
Employment		129,206		129,206
Community Supports		100,970		100,970
Quality Assurance		369,678		369,678

*Amounts contingent on actual federal funds received and what is approved by the board.

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 100-20 INFORMATION TECHNOLOGY SRVCS									
		S101 FULL-TIME EQUIVALENTS (FTEs)		76.500	81.500	0.000	0.000	0.000	81.500
32510	B	511000 Salaries - Permanent		6,206,240	7,491,917	3,532,740	539,002	0	8,030,919
32510	B	513000 Temporary Salaries		570,189	465,289	267,432	(13,463)	0	451,826
32510	B	514000 Overtime		344,687	303,304	213,515	31,088	0	334,392
32510	B	516000 Fringe Benefits		2,510,440	3,184,749	1,462,010	172,551	0	3,357,300
32510	B	599161 Health Increase		0	0	0	0	187,099	187,099
32510	B	599162 Retirement Increase		0	0	0	0	82,815	82,815
			Subtotal:	9,631,556	11,445,259	5,475,697	729,178	269,914	12,444,351
32510	F	F_1991 Salary - General Fund		4,947,983	5,819,986	2,829,435	275,086	144,091	6,239,163
32510	F	F_1992 Salary - Federal Funds		4,678,931	5,624,438	2,646,262	454,927	125,823	6,205,188
32510	F	F_1993 Salary - Other Funds		4,642	835	0	(835)	0	0
			Subtotal:	9,631,556	11,445,259	5,475,697	729,178	269,914	12,444,351
32530	B	521000 Travel		91,430	143,074	59,537	9,121	0	152,195
32530	B	531000 Supplies - IT Software		730,601	132,840	65,726	5,575,807	0	5,708,647
32530	B	532000 Supply/Material-Professional		7,758	20,147	1,118	(12,947)	0	7,200
32530	B	535000 Miscellaneous Supplies		0	0	0	0	0	0
32530	B	536000 Office Supplies		11,431	11,372	10,692	6,196	0	17,568
32530	B	542000 Printing		450,858	542,800	211,186	(80,800)	0	462,000
32530	B	551000 IT Equip under $5,000		1,205,732	951,319	810,828	51,108	0	1,002,427
32530	B	553000 Office Equip & Furniture-Under		10,243	7,960	1,669	840	0	8,800
32530	B	561000 Utilities		1,223	1,200	567	384	0	1,584
32530	B	581000 Rentals/Leases-Equip & Other		0	7,200	260	(6,280)	0	920
32530	B	582000 Rentals/Leases - Bldg/Land		330,437	200,289	103,362	(27,849)	0	172,440
32530	B	591000 Repairs		6,909	10,802	7,455	(4,084)	0	6,718
32530	B	601000 IT - Data Processing		32,692,771	81,713,799	18,228,260	(40,081,046)	0	41,632,753
32530	B	602000 IT-Communications		14,463	15,725	9,589	19,156	0	34,881
32530	B	603000 IT Contractual Services and Re		4,585,266	15,920,398	2,348,836	965,538	0	16,885,936
32530	B	611000 Professional Development		54,496	79,381	23,735	14,017	0	93,398
32530	B	621000 Operating Fees and Services		122,148	137,160	67,076	(7,315)	0	129,845

HB 1012
1/16/13 - PM
Attachment 4

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 100-20 INFORMATION TECHNOLOGY SRVCS									
			Subtotal:	40,315,766	99,895,466	21,949,896	(33,578,154)	0	66,317,312
32530	F	F_3991	Operating - General Fund	16,236,326	28,662,925	8,667,358	(762,008)	0	27,900,917
32530	F	F_3992	Operating - Federal Funds	22,628,506	69,236,696	12,457,563	(33,435,245)	0	35,801,451
32530	F	F_3993	Operating - Other Funds	132,310	353,293	60,648	214,707	0	568,000
32530	F	F_3994	Operating - Retained Funds	5,285	24,000	5,568	372,241	0	396,241
32530	F	F_3995	Operating - County Funds	1,313,339	1,618,552	758,759	32,151	0	1,650,703
			Subtotal:	40,315,766	99,895,466	21,949,896	(33,578,154)	0	66,317,312
32550	B	693000	IT Equipment Over $5000	7,022	138,400	0	77,760	0	216,160
			Subtotal:	7,022	138,400	0	77,760	0	216,160
32550	F	F_5991	Land & Cptl Imprv - Gen Fund	3,814	0	0	0	0	0
32550	F	F_5992	Land & Cptl Imprv - Fed Funds	2,847	138,400	0	77,760	0	216,160
32550	F	F_5993	Land & Cptl Imprv - Other Fnds	361	0	0	0	0	0
			Subtotal:	7,022	138,400	0	77,760	0	216,160
32551	B	513000	Temporary Salaries	245,723	200,000	106,568	(200,000)	0	0
32551	B	516000	Fringe Benefits	19,893	16,000	8,511	(16,000)	0	0
32551	B	601000	IT - Data Processing	3,450,150	6,076,332	244,580	(6,076,332)	0	0
32551	B	603000	IT Contractual Services and Re	5,226,973	14,999,204	2,894,600	(14,999,204)	0	0
			Subtotal:	8,942,739	21,291,536	3,254,259	(21,291,536)	0	0
32551	F	F_5991	Land & Cptl Imprv - Gen Fund	92,798	2,377,532	375,754	(2,377,532)	0	0
32551	F	F_5992	Land & Cptl Imprv - Fed Funds	7,719,847	18,914,004	2,878,505	(18,914,004)	0	0
32551	F	F_5993	Land & Cptl Imprv - Other Fnds	1,130,094	0	0	0	0	0
			Subtotal:	8,942,739	21,291,536	3,254,259	(21,291,536)	0	0

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 100-20 INFORMATION TECHNOLOGY SRVCS							
	Subdivision Budget Total:	58,897,083	132,770,661	30,679,852	(54,062,752)	269,914	78,977,823
	General Funds:	21,280,921	36,860,443	11,872,547	(2,864,454)	144,091	34,140,080
	Federal Funds:	35,030,131	93,913,538	17,982,330	(51,816,562)	125,823	42,222,799
100-20 INFORMATION TECHNOLOGY SRVCS	Other Funds:	1,267,407	354,128	60,648	213,872	0	568,000
	SWAP Funds:	5,285	24,000	5,568	372,241	0	396,241
	County Funds:	1,313,339	1,618,552	758,759	32,151	0	1,650,703
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	58,897,083	132,770,661	30,679,852	(54,062,752)	269,914	78,977,823

ITS - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 99,800	$ 72,640	$ -	$ 172,440
Description	**Square Footage**	**Rate per Square Foot**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Century Center	159.00	14.50	1,596	3,015		4,611
HSC's			48,466	31,933		80,399
Prairie Hills Plaza	2,576.16	15.74	29,587	14,455		44,042
Northbrook	1,553.76	13.10	20,151	23,237		43,388

ITS - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

$ 34,652	**$ 95,193**	**$ -**	**$ 129,845**

Description	General Fund	Federal Funds	Other Funds	Total
Electronic claims collections, processing and routing services	29,748	90,252		120,000
Newspaper Ads	901	599		1,500
Service Awards	2,625	2,768	-	5,393
Document Management Services	469	931	-	1,400
Rug Service	74	86		160
Freight & Express	720	480		1,200
Background Check	115	77		192

HB 1012
1/17/13 AM
Attachment 1

DHS Office Space Rent
2013-15 Biennium Compared to the 2011-13 Biennium

	2011-13 Biennium	2013-15 Biennium	Difference
Central Office:			
Judicial Wing			
Office Space	10.21	11.29	1.08
Storage Space	1.42	1.39	(0.03)
Century Center			
Office Space	14.50	14.50	-
Storage Space	5.00	5.00	-
Northbrook	12.35	13.10	0.75
Prairie Hills Plaza			
Office Space	15.34	15.74	0.40
Storage Space	6.12	6.18	0.06
Child Support Regional Offices:			
Williston RCSEU	6.80	7.12	0.32
Minot RCSEU	13.50	14.04	0.54
Devils Lake RCSEU	10.50	10.50	-
Grand Forks RCSEU	13.15	13.15	-
Fargo RCSEU	16.00	18.00	2.00
Jamestown RCSEU	7.50	7.50	-
Bismarck RCSEU	12.50	13.12	0.62
Dickinson RCSEU	9.31	12.16	2.85
Outgoing Interstate - Grand Forks	13.15	13.15	-
High Intensity - Burleigh	13.12	13.12	-
Human Service Centers:			
Northwest HSC *	8.50	15.00	6.50
North Central HSC	10.00	10.40	0.40
Lake Region HSC			
Devils Lake	10.49	10.61	0.12
Rolla	9.97	11.32	1.35
Northeast HSC	13.15	13.15	-
Southeast HSC	N/A	N/A	
South Central HSC	11.46	11.46	-
West Central HSC			
Main Office Space	15.34	15.74	0.40
Vocational Rehabilitation	16.48	16.97	0.49
Badlands HSC	12.75	13.52	0.77

* Current Rate is under negotiation

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-01 ECONOMIC ASSISTANCE POLICY - GRANTS									
		S101 FULL-TIME EQUIVALENTS (FTEs)		29.800	30.800	0.000	0.000	0.000	30.800
32510	B	511000 Salaries - Permanent		2,737,981	2,922,939	1,446,999	382,167	0	3,305,106
32510	B	513000 Temporary Salaries		45,652	59,136	42,754	36,240	0	95,376
32510	B	514000 Overtime		6,683	22,728	6,812	2,641	0	25,369
32510	B	516000 Fringe Benefits		1,013,426	1,161,159	546,741	149,713	0	1,310,872
32510	B	599161 Health Increase		0	0	0	0	73,015	73,015
32510	B	599162 Retirement Increase		0	0	0	0	33,404	33,404
			Subtotal:	3,803,742	4,165,962	2,043,306	570,761	106,419	4,843,142
32510	F	F_1991 Salary - General Fund		1,258,517	1,412,232	633,901	222,699	49,840	1,684,771
32510	F	F_1992 Salary - Federal Funds		2,544,405	2,752,885	1,409,405	348,907	56,579	3,158,371
32510	F	F_1993 Salary - Other Funds		820	845	0	(845)	0	0
			Subtotal:	3,803,742	4,165,962	2,043,306	570,761	106,419	4,843,142
32530	B	521000 Travel		115,599	179,683	47,763	77,469	0	257,152
32530	B	531000 Supplies - IT Software		13,029	13,198	5,640	(2,606)	0	10,592
32530	B	532000 Supply/Material-Professional		1,632	2,840	563	(740)	0	2,100
32530	B	536000 Office Supplies		14,662	18,288	9,029	(2,391)	0	15,897
32530	B	541000 Postage		7,160	6,691	3,955	6,206	0	12,897
32530	B	542000 Printing		99,840	195,152	34,760	(109,372)	0	85,780
32530	B	553000 Office Equip & Furniture-Under		15,450	8,979	3,655	(54)	0	8,925
32530	B	582000 Rentals/Leases - Bldg/Land		36,435	46,896	21,451	(4,344)	0	42,552
32530	B	602000 IT-Communications		13,693	16,472	7,697	(372)	0	16,100
32530	B	611000 Professional Development		27,381	46,222	17,115	728	0	46,950
32530	B	621000 Operating Fees and Services		10,213,985	11,054,688	4,694,666	(368,574)	0	10,686,114
			Subtotal:	10,558,866	11,589,109	4,846,294	(404,050)	0	11,185,059
32530	F	F_3991 Operating - General Fund		712,295	498,477	67,348	(265,404)	0	233,073
32530	F	F_3992 Operating - Federal Funds		9,561,068	10,734,874	4,636,246	(1,043,394)	0	9,691,480
32530	F	F_3994 Operating - Retained Funds		0	0	0	923,000	0	923,000
32530	F	F_3995 Operating - County Funds		285,503	355,758	142,700	(18,252)	0	337,506

HB 1012
1/17/13 AM
Attachment 2

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-01 ECONOMIC ASSISTANCE POLICY - GRANTS							
	Subtotal:	10,558,866	11,589,109	4,846,294	(404,050)	0	11,185,059
32560 B	712000 Grants, Benefits & Claims	266,458,426	331,251,570	125,218,445	(40,357,071)	0	290,894,499
	Subtotal:	266,458,426	331,251,570	125,218,445	(40,357,071)	0	290,894,499
32560 F	F_6991 Grants - General Fund	9,030,331	8,878,398	6,296,240	(2,556,989)	0	6,321,409
32560 F	F_6992 Grants - Federal Funds	242,384,215	303,983,048	112,903,867	(39,099,432)	0	264,883,616
32560 F	F_6993 Grants - Other Funds	3,762,919	3,722,489	1,620,675	0	0	3,722,489
32560 F	F_6994 Grants - Retained Funds	11,280,961	14,667,635	4,397,663	1,299,350	0	15,966,985
	Subtotal:	266,458,426	331,251,570	125,218,445	(40,357,071)	0	290,894,499
	Subdivision Budget Total:	280,821,034	347,006,641	132,108,045	(40,190,360)	106,419	306,922,700
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	**General Funds:**	11,001,143	10,789,107	6,997,489	(2,599,694)	49,840	8,239,253
	Federal Funds:	254,489,688	317,470,807	118,949,518	(39,793,919)	56,579	277,733,467
	Other Funds:	3,763,739	3,723,334	1,620,675	(845)	0	3,722,489
	SWAP Funds:	11,280,961	14,667,635	4,397,663	2,222,350	0	16,889,985
	County Funds:	285,503	355,758	142,700	(18,252)	0	337,506
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	280,821,034	347,006,641	132,108,045	(40,190,360)	106,419	306,922,700

Economic Assistance - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

Description	Square Footage	Square Foot	General Fund	Federal Funds	Other Funds	Total
Office Rent - Regional Representative - BLHSC			2,507	3,641		6,148
Office Rent - Regional Representative - NEHSC			2,251	3,269		5,520
Office Rent - Quality Control - BLHSC			3,038	3,107		6,145
Office Rent - Quality Control - LRHSC			2,908	2,974		5,882
Office Rent - Quality Control - NEHSC			2,729	2,791		5,520
Office Rent - Quality Control - SCHSC			3,045	3,113		6,158
Office Rent - Quality Control - SEHSC			616	629		1,245
Room Rental - Training			6	5,928		5,934
Total Rental/Leases			**$ 17,100**	**$ 25,452**	**$ -**	**$42,552**

Economic Assistance - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

Description	General Fund	Federal Funds	Other Funds	Total
Service Awards	886	1,041		1,927
Spring Showcase Awards	3,000	3,000		6,000
Public Service Announcements	1,200	1,200		2,400
IRS Disclosure Research Fees	925	925		1,850
Alternative to Abortion contract with The Village Family Service Center		500,000		500,000
Speaker Fees for Spring Showcase	12,500	12,500		25,000
Public notice announcements	104	7,896		8,000
SAVE Annual Fee	538	1,462		2,000
Basic Employment Skills Training contract with Job Serivce		189,580		189,580
eFunds - (SNAP Electronic Benefits)	44,468	370,565	326,097	741,130
JOBS Services		8,174,472		8,174,472
Pride Contracts with Job Service		946,515		946,515
Energy Saver calendars for LIHEAP		85,000		85,000
Miscellaneous	946	1,294		2,240
Total Operating Fees and Services	**$ 64,567**	**$ 10,295,450**	**$ 326,097**	**$ 10,686,114**

Economic Assistance - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits, & Claims

Description	General Fund	Federal Funds	Other Funds	Total
Child Care	252,686	13,728,004	6,917,975	20,898,665
Indian County Allocation	5,597,322			5,597,322
JOBS - Transportation		4,601,589	69,411	4,671,000
Kinship Care		399,047		399,047
Low Income Home Energy Assistance Program		41,358,130	35,000	41,393,130
SNAP - Benefits		201,289,482		201,289,482
SNAP - Charitable Food Assistance		149,508		149,508
SNAP - Employment & Training Participant Payments	26,400	26,400		52,800
SNAP - Nutrition Education Plan		2,310,000		2,310,000
TANF - Diversion Benefit		71,400		71,400
TANF - Recipient -Workers Compensation		27,056		27,056
TANF - Regular Benefit	445,001	923,000	12,667,088	14,035,089
Total Grants, Benefits, & Claims	**$ 6,321,409**	**$ 264,883,616**	**$ 19,689,474**	**$ 290,894,499**

Testimony
House Bill 1012 – Department of Human Services
House Appropriations –Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Caseload Comparison - Economic Assistance Policy
Carol Cartledge, Director, Economic Assistance Policy

	2005 - 2007 Biennium			2007 - 2009 Biennium			2009 - 2011 Biennium			SFY 2012	2013-2015 Biennium
	Actual 2006	Actual 2007	Biennial Average	Actual 2008	Actual 2009	Biennial Average	Actual 2010	Actual 2011	Biennial Average	Actual 2012	Exec. Bdgt Recommendation
TANF	2,708	2,560	2,634	2,590	2,440	2,515	2,147	1,925	2,036	1,738	1,777

The Temporary Assistance for Needy Families (TANF) caseload has decreased over time due to the 2005 Deficit Reduction Act, which identified work and required activities for adults in TANF families. Additional factors attributing to the decreased caseload are the 2009 Pay After Performance policy implementation and the positive economic climate in North Dakota.

LIHEAP	5,737	5,872	5,805	5,732	6,353	6,042	6,265	6,100	6,182	5,269	6,578

The Low Income Heating and Energy Assistance Program (LIHEAP) caseload is affected by weather conditions and fuel prices.

Child Care Assistance	4,060	3,955	4,003	4,054	3,810	3,932	3,787	3,589	3,685	2,526	3,170

The Child Care Assistance caseload has decreased due to fewer families qualifying for benefits or qualifying for a lower benefit amount due to increased wages in North Dakota and the implementation of a revised co-payment structure. Because of the lower caseloads, the program increased maximum allowable rates paid to licensed providers on October 1, 2011, July 1, 2012 and October 1, 2012, lowered family co-payments on October 1, 2012 and reinstated payment for child care while qualifying individuals pursue a four-year degree oin January 1, 2013.

SNAP	19,214	19,926	19,570	21,572	23,104	22,338	26,686	27,857	27,272	27,439	27,671

The Supplemental Nutrition Assistance Program (SNAP) caseload has increased over time due to the 2006 implementation of simplified reporting, which makes it easier for households to be on the program for longer periods of time. The Department launched the online Application for Assistance in August of 2010 and recently launched the online review to make it easier for people to apply for and qualify for the program. The caseload for the 2011-2013 has stabilized. The program is due for reauthorization by the end of September 2013 and at this time it is uncertain what will be contained in the new Farm Bill.

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-02 CHILD SUPPORT ENFORCEMENT									
		S101	FULL-TIME EQUIVALENTS (FTEs)	164.200	165.200	0.000	0.000	0.000	165.200
32510	B	511000	Salaries - Permanent	12,823,615	14,451,564	6,648,130	167,846	0	14,619,410
32510	B	513000	Temporary Salaries	81,368	109,392	29,326	(61,392)	0	48,000
32510	B	514000	Overtime	9,199	57,312	8,400	(42,312)	0	15,000
32510	B	516000	Fringe Benefits	5,363,024	6,239,772	2,856,962	133,636	0	6,373,408
32510	B	599161	Health Increase	0	0	0	0	381,040	381,040
32510	B	599162	Retirement Increase	0	0	0	0	151,539	151,539
			Subtotal:	18,277,206	20,858,040	9,542,818	197,778	532,579	21,588,397
32510	F	F_1991	Salary - General Fund	3,007,776	6,066,706	2,956,287	81,867	223,073	6,371,646
32510	F	F_1992	Salary - Federal Funds	11,668,311	12,082,571	5,606,479	87,721	309,506	12,479,798
32510	F	F_1993	Salary - Other Funds	3,601,119	2,708,763	980,052	28,190	0	2,736,953
			Subtotal:	18,277,206	20,858,040	9,542,818	197,778	532,579	21,588,397
32530	B	521000	Travel	63,534	123,338	46,997	34,173	0	157,511
32530	B	531000	Supplies - IT Software	43,406	62,143	24,241	(12,043)	0	50,100
32530	B	532000	Supply/Material-Professional	18,321	11,318	11,098	2,761	0	14,079
32530	B	534000	Bldg, Grounds, Vehicle Supply	0	1,000	181	0	0	1,000
32530	B	536000	Office Supplies	63,612	71,579	35,562	(5,294)	0	66,285
32530	B	541000	Postage	277,762	322,852	140,671	8,352	0	331,204
32530	B	542000	Printing	74,961	79,562	38,725	1,858	0	81,420
32530	B	551000	IT Equip under $5,000	4,537	2,725	1,548	(725)	0	2,000
32530	B	552000	Other Equip under $5,000	3,259	1,000	530	1,000	0	2,000
32530	B	553000	Office Equip & Furniture-Under	32,876	35,600	25,826	655	0	36,255
32530	B	571000	Insurance	587	840	295	18	0	858
32530	B	581000	Rentals/Leases-Equip & Other	48,394	50,492	21,568	15,770	0	66,262
32530	B	582000	Rentals/Leases - Bldg/Land	1,046,398	1,100,407	556,102	58,688	0	1,159,095
32530	B	591000	Repairs	89,089	90,403	35,769	(5,248)	0	85,155
32530	B	601000	IT - Data Processing	38,097	49,713	23,368	8,412	0	58,125
32530	B	602000	IT-Communications	10,115	13,554	10,322	19,358	0	32,912
32530	B	611000	Professional Development	49,628	63,184	30,781	5,225	0	68,409

HB 1012
1/17/13 PM
Attachment 1

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-02 CHILD SUPPORT ENFORCEMENT									
32530	B	621000	Operating Fees and Services	1,931,095	2,102,607	844,622	110,903	0	2,213,510
			Subtotal:	3,795,671	4,182,317	1,848,206	243,863	0	4,426,180
32530	F	F_3991	Operating - General Fund	360,817	768,198	379,990	97,962	0	866,160
32530	F	F_3992	Operating - Federal Funds	2,965,412	3,086,129	1,349,921	126,184	0	3,212,313
32530	F	F_3993	Operating - Other Funds	469,442	327,990	118,295	19,717	0	347,707
			Subtotal:	3,795,671	4,182,317	1,848,206	243,863	0	4,426,180
			Subdivision Budget Total:	22,072,877	25,040,357	11,391,024	441,641	532,579	26,014,577
			General Funds:	3,368,593	6,834,904	3,336,277	179,829	223,073	7,237,806
			Federal Funds:	14,633,723	15,168,700	6,956,400	213,905	309,506	15,692,111
300-02 **CHILD SUPPORT ENFORCEMENT**			**Other Funds:**	4,070,561	3,036,753	1,098,347	47,907	0	3,084,660
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	22,072,877	25,040,357	11,391,024	441,641	532,579	26,014,577

Child Support - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

$ 335,181	$650,253	$173,661	$ 1,159,095

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Office Rent - Century Center	7,512.00	14.50	74,068	143,780		217,848
Storage Space - Century Center	393.00	5.00	1,336	2,594		3,930
Office Rent - Williston RCSE	3,374.00	7.12	16,320	31,680		48,000
Office Rent - Minot RCSE	4,200.00	14.04	40,098	77,838		117,936
Office Rent - Devils Lake RCSE	4,800.00	10.50	34,272	66,528		100,800
Office Rent - Grand Forks RCSE	4,544.00	13.15	40,632	78,875		119,507
Office Rent - Fargo RCSE	5,583.00	18.00	17,828	34,610	148,550	200,988
Office Rent - Jamestown RCSE	3,840.00	7.50	19,584	38,016		57,600
Office Rent - Bismarck RCSE	7,294.00	13.12	56,672	109,612	25,111	191,395
Office Rent - Dickinson RCSE	2,233.00	12.16	18,457	35,827		54,284
Office Rent - Outgoing Interstate - Grand Forks	1,231.00	13.15	11,007	21,368		32,375
Office Rent - High Intensity Unit - Bismarck	550.00	13.12	4,907	9,525		14,432

Child Support - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

$ 238,559	**$ 1,925,916**	**$ 49,035**	**$ 2,213,510**

Description	Fund	Federal Funds	Funds	Total
Attorney and Notary Licensing and Reporting	4,759	8,534	2,794	16,087
Access and Visitation		200,000		200,000
Labcorp (genetic testing)	27,085	52,547	13,202	92,834
Service of Legal Documents	43,534	93,181	28,015	164,730
Miscellaneous Operations	9,705	18,731	2,432	30,868
Private Attorneys, Appeals Costs, and State's Attorneys	23,973	78,536	2,592	105,101
Supreme Court		1,223,000		1,223,000
Data Matching and Other Locate Expenses	95,843	186,047		281,890
Contracted Labor	33,660	65,340		99,000

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-43 **AGING SERVICES**									
S101		FULL-TIME EQUIVALENTS (FTEs)		11.000	11.000	0.000	0.000	0.000	11.000
32510	B	511000 Salaries - Permanent		1,047,434	1,132,987	510,953	52,168	0	1,185,155
32510	B	516000 Fringe Benefits		383,232	451,949	175,276	(16,650)	0	435,299
32510	B	599161 Health Increase		0	0	0	0	22,817	22,817
32510	B	599162 Retirement Increase		0	0	0	0	12,025	12,025
			Subtotal:	1,430,666	1,584,936	686,229	35,518	34,842	1,655,296
32510	F	F_1991 Salary - General Fund		834,143	1,002,300	229,150	2,381	34,842	1,039,523
32510	F	F_1992 Salary - Federal Funds		596,523	582,636	457,079	33,137	0	615,773
			Subtotal:	1,430,666	1,584,936	686,229	35,518	34,842	1,655,296
32530	B	521000 Travel		85,672	117,676	35,805	(20,180)	0	97,496
32530	B	531000 Supplies - IT Software		6,913	6,500	3,854	100	0	6,600
32530	B	532000 Supply/Material-Professional		1,870	2,508	180	55	0	2,563
32530	B	536000 Office Supplies		10,190	13,263	4,581	(4,544)	0	8,719
32530	B	542000 Printing		18,999	21,199	5,306	(2,319)	0	18,880
32530	B	552000 Other Equip under $5,000		0	1,538	1,154	(1,538)	0	0
32530	B	553000 Office Equip & Furniture-Under		6,750	3,300	552	2,701	0	6,001
32530	B	571000 Insurance		811	1,500	813	150	0	1,650
32530	B	582000 Rentals/Leases - Bldg/Land		63,142	75,560	34,415	(10,570)	0	64,990
32530	B	602000 IT-Communications		4,964	7,884	2,927	2,788	0	10,672
32530	B	611000 Professional Development		29,566	88,836	18,224	(61,351)	0	27,485
32530	B	621000 Operating Fees and Services		13,245,240	13,381,920	6,313,584	1,366,849	0	14,748,769
			Subtotal:	13,474,117	13,721,684	6,421,395	1,272,141	0	14,993,825
32530	F	F_3991 Operating - General Fund		2,162,293	2,585,873	1,225,856	1,861,713	0	4,447,586
32530	F	F_3992 Operating - Federal Funds		11,310,954	11,135,661	5,195,389	(589,422)	0	10,546,239
32530	F	F_3993 Operating - Other Funds		870	150	150	(150)	0	0
			Subtotal:	13,474,117	13,721,684	6,421,395	1,272,141	0	14,993,825

HB 1012
1/17/13 PM
Attachment 2

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-43 AGING SERVICES									
32560	B	712000	Grants, Benefits & Claims	3,173,856	2,834,472	1,347,609	38,974	0	2,873,446
			Subtotal:	3,173,856	2,834,472	1,347,609	38,974	0	2,873,446
32560	F	F_6991	Grants - General Fund	908,910	1,200,000	526,028	0	0	1,200,000
32560	F	F_6992	Grants - Federal Funds	2,015,021	1,355,372	730,373	38,074	0	1,393,446
32560	F	F_6993	Grants - Other Funds	249,925	279,100	91,208	900	0	280,000
			Subtotal:	3,173,856	2,834,472	1,347,609	38,974	0	2,873,446
			Subdivision Budget Total:	18,078,639	18,141,092	8,455,233	1,346,633	34,842	19,522,567
			General Funds:	3,905,346	4,788,173	1,981,034	1,864,094	34,842	6,687,109
			Federal Funds:	13,922,498	13,073,669	6,382,841	(518,211)	0	12,555,458
300-43 AGING SERVICES			**Other Funds:**	250,795	279,250	91,358	750	0	280,000
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	18,078,639	18,141,092	8,455,233	1,346,633	34,842	19,522,567

Aging Services - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Prairie Hills Plaza office space	1,944.89	15.74	36,050	25,175	-	61,225
Miscellaneous rent (booth & room rentals)			2,573	1,192	-	3,765
			$ 38,623	**$ 26,367**	**$ -**	**$ 64,990**

Aging Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

Description	General Fund	Federal Funds	Other Funds	Total
Speakers for conferences and forums	4,000	1,000	-	5,000
State funds to providers contract	1,264,502	-	-	1,264,502
Options Counseling	-	272,340	-	272,340
Health maintenance and nutrition planning	2,944	2,056	-	5,000
Title III B provider and preventive health contracts	-	2,211,001	-	2,211,001
Title III C congregate and home-delivered meal contracts	2,000,000	5,339,364	-	7,339,364
Nutrition Services incentive contracts	-	1,612,864	-	1,612,864
Title III E Family Caregiver services	-	992,866	-	992,866
Guardianship fees	1,040,000	-	-	1,040,000
Miscellaneous fees and services	3,434	2,398	-	5,832
	-	-		-
	$ 4,314,880	**$ 10,433,889**	**$ -**	**$ 14,748,769**

Aging Services - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits & Claims

Description	General Fund	Federal Funds	Other	Total
Telecommunications equipment distribution contract	-	-	280,000	280,000
Title III B contracts	-	325,000	-	325,000
Dementia Care contract	1,200,000	-	-	1,200,000
Senior Employment contract	-	1,068,446	-	1,068,446
				-
	$ 1,200,000	**$ 1,393,446**	**$ 280,000**	**$ 2,873,446**

HB 1012
1/17/13 PM
Attachment 3

Older Americans Act
Title III Nutrition Services
Congregate and Home Delivered Meals
Menu Planning Tips

- Aim for meals to be within approximately 550-700 calories (occasionally may be 1000 calories).
- Variety in menu planning is recommended for flavor, texture, color, smell, temperature and shape.
- Menus are to be planned in accordance with the service standards following the meal pattern. Either the DASH Eating Plan or the USDA Food Guide is to be used.
- Menu planning should take into consideration ethnic, cultural and religious preferences and input from the participant group.

Fruit and Vegetables

- Three ½ cup servings of fruit and/or vegetables with each meal.
- Fruit may be fresh; dried; canned water packed, juice packed or packed in light syrup. Heavy syrup packs should not be used.
- Vegetable may be fresh; canned (preferably low sodium); frozen or dried.
- Fruit and vegetable requirements may be met by using them in soups, casserole, pasta dishes or desserts providing the required serving are in each dish. For example, vegetable soup must contain at least ½ cup of vegetable per serving of soup; or a fruit crisp must contain ½ cup of fruit.
- Juices offered in lieu of a fruit or vegetable are to be 100% juice.

Sodium and Fats

- Aim to reduce fats and sodium (goal is 1,000 mg with ideal at 800 mg per meal) in the menu.
- Use of low-sodium, low fat, reduced fat or fat free products is recommended.
- Use a low sodium and low-fat base to make gravy or soup. If the low sodium base costs are higher than the bid price, use half the required amount.
- Using ground beef in a recipe; drain the fat before adding other ingredients.
- Consider using a 60/40 ground beef/ground turkey mix in recipes using ground beef. Ensure that the internal cooking temperature reaches the higher requirement.
- Consider using recipes that use apple sauce in place of oil.
- Consider preparing foods without added salt unless the absence of salt compromises the recipe.
- Consider offering herbal seasoning blends in place of salt.

- Consider using "no added salt" or "low-sodium" products.
- When possible limit use of cured, brined, condiments or pre-packaged food products.

Grains

- Each meal must have 2 servings of grains; and making at least 1 serving a whole grain is recommended.
- Consider reducing the amount of white flour used in baking and use a combination of white and whole wheat flour.
- Consider using rolled oats or a crushed, unsweetened whole grain cereal as breading for baked chicken, fish, or meat.

Milk or Milk Alternative

- Milk may be served as fat-free or low-fat.
- Consider such alternatives as fat-free or low-fat yogurt or lactose-free milk to individuals who may not consume milk.
- Custard and pudding should be sugar free and prepared with a low-fat or fat-free dairy product.
- Other beverages such as coffee, tea, decaffeinated and sugar free flavored beverages may be served as desired but do not replace the milk/milk alternative requirement.
- Consider providing water with each meal to ensure proper hydrations especially in summer months.

Meat or Meat Alternative

- A serving of meat or meat alternative is a 2 ounce cooked edible portion of fish, meat, poultry, eggs, cheese.
- Meat alternatives may include cooked dried beans, peas, lentil, nuts or peanut butter.

Desserts

- Desserts such as pies, cakes or other baked goods do not replace the requirement for at least ½ cup serving of fruit with each meal, except for one exception.
- Incorporating a ½ cup of fruit in a dessert recipe such as apple crisp or strawberry shortcake may be counted as a full serving of fruit and if whole grains are used may count as a full serving of a whole grain;
- Consider using low-fat, low-salt ingredients in preparation.
- Desserts are optional. Consider that, unless a dessert is used to meet a fruit and/or grain requirement, adding a dessert to the meal may not only increase the calories and fats but would also be an increased cost.

HB 1012
1/17/13 PM
Attachment 1

Outline of Outreach Services and Option Counseling Services

	OUTREACH	OPTIONS COUNSELING
Administration on Aging Definition:	Intervention with individuals initiated by an agency or organization for the purpose of identifying potential clients (or their care givers) and encouraging their use of existing services and benefits.	Interactive decision-support process whereby consumers, family members and significant other are supported in their deliberations to determine appropriate long-term support choices in the context of the consumer's needs, preferences, values and individual circumstances.
Division of Aging Services Service Standards	Personalized approach to seeking out older individuals, identifying their service needs with an emphasis on referral and linkage to available services. Outreach workers assess clients for eligibility for nutrition services.	Person-centered planning process that includes assessment, information and referral, benefits counseling and futures planning to assist consumers, family members, and significant others in determining appropriate long-term support choices.
Assessment Tool	SAMS Outreach/Home Delivered Meal Assessment	SAMS Options Counseling Assessment
Billable Units of Service	• Initial Outreach Assessment • 30-day Follow-up • Outreach Canvassing • Outreach Re-Assessment • Re-assessment for continued HDM (every 6 months) • Initial Congregate Meal Assessment • Annual Congregate Meal Re-Assessment • Brief contacts outside home (telephone, e-mail) • Escort/Shopping Assistance	• Information and Referral Activity that results in OC • Initial OC Assessment • OC Follow-Up within 30 days, plus up to 2 additional contacts may be made with the provision for additional contacts with approval • Options Counseling Inactivity (closure of record) • Re-open of Consumer record following inactivity
Duration of Service	Service delivery may be on-going when tied to Nutrition Services, or short term for only I & R.	Generally 90-days in duration.
Performance Outcomes	On-going monitoring.	Each OC consumer will have a Action Plan developed with consumer input and from consumer needs and informed choices.
Quality Assurance & Evaluation	Periodic client survey.	Consumer Survey following designation of case inactivity.

HB 1012
1/17/13 pm
Attachment 5

State Plan on Aging

- The State of North Dakota has been designated as a single planning and service area by the Administration on Aging.

- The Department of Human Services, Aging Services Division, has been designated as the state agency to develop and administer the State Plan on Aging.

- States are required to assure that preference will be given to providing services for older individuals with greatest economic need and greatest social need, with particular attention to low income minority individuals and older individuals residing in rural areas.

- Proposed methods to carry out the preference must be identified within the State Plan on Aging [OAA Section 305(a)(2)(E)]. To meet this requirement, the following is addressed in the State Plan approved by the Administration on Aging for the period of October 1, 2010 through September 30, 2014:

    - Factors are included in the allocation plan to target monies to low income, minority, and rural individuals.
    - Contract entities are required to give priority for services to the targeted groups.
    - Contract entities are required to identify specific targeting methods in their request for proposal or their policies and procedures manual.

2013 Funding Formula

- Allocations for regional nutrition services have been determined by applying a funding formula of federal and state funds to providers using the following weighted factors based on North Dakota's population estimates of individuals age 60 and older:

    - Rural – 1.1 unit per rural individual
    - Poverty – 1.1 unit per poverty individual
    - Minority – 1.1 unit per minority individual

- Overall, the funding included in the allocations for regional nutrition services increased; therefore, increases and decreases in funding per region are a result of population shifts and elimination of hold harmless funding for four regions.

- Additional state funds to providers (equalization) were distributed by applying a formula that included the 2010 equalization levels (hold harmless level) and the number of additional meals provided by each contract entity in 2011. The nutrition contract entities selected this formula from various formulas developed by Aging Services. Increases and decreases in equalization funding per region are a result of increases or decreases in the number of meals provided by each contract entity.

- Allocations for health, options counseling, tribal services, and other supportive services have been established and are primarily maintained at the same level each contract period.

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-46 CHILDREN AND FAMILY SERVICES									
S101		FULL-TIME EQUIVALENTS (FTEs)		17.000	17.000	0.000	0.000	0.000	17.000
32510	B	511000 Salaries - Permanent		1,575,094	1,699,874	821,440	122,014	0	1,821,888
32510	B	513000 Temporary Salaries		105,625	136,510	38,485	(79,126)	0	57,384
32510	B	514000 Overtime		3,488	3,000	603	(2,304)	0	696
32510	B	516000 Fringe Benefits		599,020	710,327	314,678	7,836	0	718,163
32510	B	599161 Health Increase		0	0	0	0	38,791	38,791
32510	B	599162 Retirement Increase		0	0	0	0	18,946	18,946
			Subtotal:	2,283,227	2,549,711	1,175,206	48,420	57,737	2,655,868
32510	F	F_1991 Salary - General Fund		782,998	945,447	388,283	(56,084)	31,958	921,321
32510	F	F_1992 Salary - Federal Funds		1,478,374	1,560,042	766,920	103,726	25,779	1,689,547
32510	F	F_1993 Salary - Other Funds		21,855	44,222	20,003	778	0	45,000
			Subtotal:	2,283,227	2,549,711	1,175,206	48,420	57,737	2,655,868
32530	B	521000 Travel		226,912	300,702	154,321	102,832	0	403,534
32530	B	531000 Supplies - IT Software		2,914	248	0	(248)	0	0
32530	B	532000 Supply/Material-Professional		31,340	26,150	4,019	(12,750)	0	13,400
32530	B	536000 Office Supplies		19,611	13,813	2,440	(6,813)	0	7,000
32530	B	541000 Postage		23	600	0	(450)	0	150
32530	B	542000 Printing		73,180	80,001	39,801	(55,481)	0	24,520
32530	B	553000 Office Equip & Furniture-Under		2,707	1,000	0	1,000	0	2,000
32530	B	571000 Insurance		180	200	89	0	0	200
32530	B	582000 Rentals/Leases - Bldg/Land		3,742	6,589	1,918	(5,321)	0	1,268
32530	B	591000 Repairs		341	334	175	(334)	0	0
32530	B	601000 IT - Data Processing		4,496	2,919	0	(2,919)	0	0
32530	B	602000 IT-Communications		1,566	1,914	1,124	(1,214)	0	700
32530	B	611000 Professional Development		164,696	251,604	101,162	28,497	0	280,101
32530	B	621000 Operating Fees and Services		5,385,741	5,058,356	2,496,976	911,385	0	5,969,741
32530	B	623000 Fees - Professional Services		660	200	0	1,562	0	1,762
			Subtotal:	5,918,109	5,744,630	2,802,025	959,746	0	6,704,376

HB 1012
1/18/13
Attachment

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-46 CHILDREN AND FAMILY SERVICES									
32530	F	F_3991	Operating - General Fund	2,357,815	2,099,939	1,071,981	628,968	0	2,728,907
32530	F	F_3992	Operating - Federal Funds	3,513,250	3,591,706	1,697,860	327,208	0	3,918,914
32530	F	F_3993	Operating - Other Funds	47,044	52,985	32,184	3,570	0	56,555
			Subtotal:	5,918,109	5,744,630	2,802,025	959,746	0	6,704,376
32560	B	712000	Grants, Benefits & Claims	115,214,208	127,255,162	59,428,266	11,790,851	0	139,046,013
			Subtotal:	115,214,208	127,255,162	59,428,266	11,790,851	0	139,046,013
32560	F	F_6991	Grants - General Fund	20,688,615	31,152,154	13,868,554	5,487,235	0	36,639,389
32560	F	F_6992	Grants - Federal Funds	78,749,323	76,107,361	36,230,042	3,677,428	0	79,784,789
32560	F	F_6993	Grants - Other Funds	4,209,484	5,247,449	2,534,147	(33,437)	0	5,214,012
32560	F	F_6994	Grants - Retained Funds	231,724	608,816	85,134	(449,166)	0	159,650
32560	F	F_6995	Grants - County Funds	11,335,062	14,139,382	6,710,389	3,108,791	0	17,248,173
			Subtotal:	115,214,208	127,255,162	59,428,266	11,790,851	0	139,046,013
			Subdivision Budget Total:	123,415,544	135,549,503	63,405,497	12,799,017	57,737	148,406,257
300-46 CHILDREN AND FAMILY SERVICES			**General Funds:**	23,829,428	34,197,540	15,328,818	6,060,119	31,958	40,289,617
			Federal Funds:	83,740,947	81,259,109	38,694,822	4,108,362	25,779	85,393,250
			Other Funds:	4,278,383	5,344,656	2,586,334	(29,089)	0	5,315,567
			SWAP Funds:	231,724	608,816	85,134	(449,166)	0	159,650
			County Funds:	11,335,062	14,139,382	6,710,389	3,108,791	0	17,248,173
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	123,415,544	135,549,503	63,405,497	12,799,017	57,737	148,406,257

Children and Family Services - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 53	$ 1,071	$ 144	$ 1,268

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Meeting rooms for training.				768		768
Booth and room rental for conferences.			53	303	144	500

Children and Family Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

	$ 2,864,997	$ 3,066,684	$ 38,060	$ 5,969,741
Description	**General Fund**	**Funds**	**Other Funds**	**Total**
Head Start Grants	-	20,000	-	20,000
Service Awards	666	732	2	1,400
Dues & memberships	189	258	3	450
Other Miscellaneous Fees & Services	1,044	4,444	1,911	7,399
CFS Conference speaker fees	2,750	8,250		11,000
Research Fees - includes background checks and birth certificates for adoption, child care, and foster care	85,680	110,777	36,144	232,601
Child care providers training		20,000		20,000
Health Department Contract-The Parenting The First Year Newsletter	4,645	5,135		9,780
Advertising for rules hearings/state plan hearings, and mailing	39	2,743		2,782
Legal fees for expert testimony	1,375	11,625		13,000
Adults Adopting Special Needs Kids Services	2,119,924	1,134,460		3,254,384
Intensive In-Home Contract	95,503	1,239,270		1,334,773
The Family Group Decision Making Services	453,182	94,602		547,784
Family Team Decision Making Services	100,000			100,000
County Wide Cost Allocation Plan		414,388		414,388

Children and Family Services - 2013-15 Biennium Budget

County Breakdown

Name		County
Foster Care	$	13,300,364
Subsidized Adoption		3,870,486
Family Preservation & Services		77,323
Total	$	17,248,173

Children and Family Services - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits, & Claims

	$ 36,639,389	$ 79,784,789	$ 22,621,835	$ 139,046,013
Description	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Child Abuse & Prevention	997,901	887,029	325,986	2,210,916
Child Abuse/Neglect Assessment Payments	2,141,698.00	4,747,706.00	-	6,889,404.00
Child Care Grants to Nonprofit Agencies	3,316,221.00	2,802,626.00	-	6,118,847.00
Child Care Licensing Payments to Counties	142,964.00	630,117.00	-	773,081.00
Family Preservation & Family Services	2,759,135.00	6,145,118.00	377,323.00	9,281,576.00
Foster Care	11,764,958.00	42,090,943.00	17,864,630.00	71,720,531.00
Foster Care - Training	859,952.00	1,030,440.00	-	1,890,392.00
Independent Living Program	24,573.00	1,033,428.00	-	1,058,001.00
Refugee Grants	-	1,244,110.00	-	1,244,110.00
Reimbursement to Counties	3,099,970.00	9,091,581.00	183,410.00	12,374,961.00
Subsidized Adoption	11,156,878.00	9,321,145.00	3,870,486.00	24,348,509.00
Subsidized Guardianship	177,555.00	532,665.00	-	710,220.00
Other Foster Care Grants	197,584.00	227,881.00	-	425,465.00

Testimony
House Bill 1012 – Department of Human Services
House Appropriations –Human Resources Division
Representative Pollert, Chairman
January 15, 2013

Caseload Comparison - Children and Family Services
JoAnne Hoesel, Director, Children and Family Services

	2005 - 2007 Biennium			2007 - 2009 Biennium			2009 - 2011 Biennium			SFY 2012	Budgeted 2013-2015
	Actual 2006	Actual 2007	Biennial Average	Actual 2008	Actual 2009	Biennial Average	Actual 2010	Actual 2011	Biennial Average	Actual 2012	Biennial Average
Foster Care	968	869	918	760	768	764	768	736	752	760	873

The foster care caseload continues to experience fluctuations, reflecting both increases (SFY 2012) and decreases (2009-2011 biennium). Increases are due to more children being placed in care, as they are not able to safely remain at home when there is an incident of child abuse and neglect. This increase is due in part to population increases and growing number of families in communities without parental or relative resources to assist in safely maintaining children in their homes. Increases are occurring across the state, in more than one geographical area. Also, the caseload budgeted for SFY 2012 included a slight increase for tribal IV-E cases and youth over the age of 18 who choose to remain in foster care. The 2013-2015 budget was based upon the anticipation that the above noted reason for increased youth being placed in foster care will account for approximately 4 youth per month over the course of the biennium.

Subsidized Adoption	744	816	780	877	946	912	980	1,028	1,004	1,077	1,199

The subsidized adoption program for children with special needs continues to increase based on the federal mandate and practice of finalizing the permanency outcome for children formerly in foster care. The caseload for SFY 2012 shows an increase and reflects the use of this permanency outcome for children and accommodates the cumulative growth in the number of adopted children in the program. An adoptive family is eligible for a monthly subsidy payment while the child remains in an adoptive home until, and sometimes after, the child reaches the age of 18.

Attachment (1)

House Appropriations Committee – Human Resources Division
Testimony on House Bill 1012
Representative Chet Pollert, Chairman
January 21, 2013

Chairman Pollert and members of the House Appropriations Committee – Human Resources Division, my name is Larry Bernhardt and I am the Executive Director of Catholic Charities North Dakota. I am here today representing the following four individuals and their Non-Profit Agencies:

Mr. Robert Sanderson
Executive Director
Lutheran Social Services\

Mr. Gary Wolsky
Executive Director
Village Family Service

Mr. Dale Twedt
Executive Director
PATH, Inc.

Mr. Larry Bernhardt
Executive Director
Catholic Charities North Dakota

We note that the Governor's Budget for the Department of Human Services included the OAR (Optional Adjustment Request) from DHS for $ 3,253,008 as an Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions. We are totally supportive of that inclusion and in fact commend the Department and the Governor for the inclusion in the budget and the recognition of the disparity in living costs for the Oil Patch.

Our simple request is for recognition of that same disparity for those providing services in the Dickinson, Minot, and Williston area who are not state employees and hopefully for inclusion of funds in the DHS budget to address that for other providers of services for the Department of Human Services, whether it be through contract or fee for service. We provide very important human services which the state depends upon for the care of the people in North Dakota. In these times of "hold-even budgets" for state Departments, we have no ability to respond to these issues. Our four agencies, as an example, have staff working in those areas of the state and we are very concerned with the cost of living

for those staff – however, because we are limited by a 3 or 4 % increase to our basic rates, we don't have the capacity to address that need, as will the Department of Human Services. We are concerned about our ability to compete for staff, retain staff, or recruit for staff when our salaries will be as much as $ 500.00/month below what the state employees will receive.

Again, please know that we are very supportive of the funds in the DHS budget to address this concern for state employees. We are simply asking that they also be addressed for other service providers as well.

Thank you for allowing me to address your Committee and for your attention and consideration of our concern. I would be happy to try to address any questions you may have.

Attachment ②

Testimony to the
Human Resources Division of the
House Appropriations Committee
Prepared January 21, 2013 by
Terry Traynor, Assistant Director
North Dakota Association of Counties

Regarding: HB1012 – DHS BUDGET

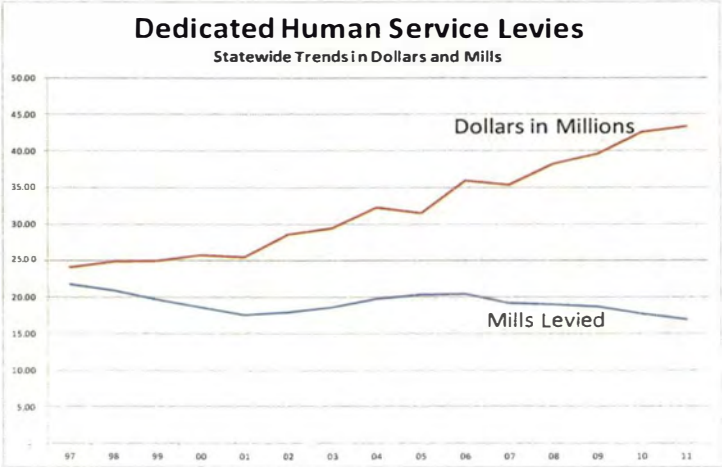
County government in North Dakota is mandated by law to provide the delivery of numerous federal and state human service programs. The counties are directed to provide for this delivery through an appointed County Social Service Board and the staff that the board supervises. While a number of programs have some federal reimbursement and a portion of this flows to the counties, county property taxes contribute $42 million dollars annually (in CY2011) to the support of these programs, mostly for staff salary and benefits. This is the largest single property tax cost for counties statewide – it exceeds the amount of property tax revenue invested in roads and it is larger than the amount spent on law enforcement and jails together.

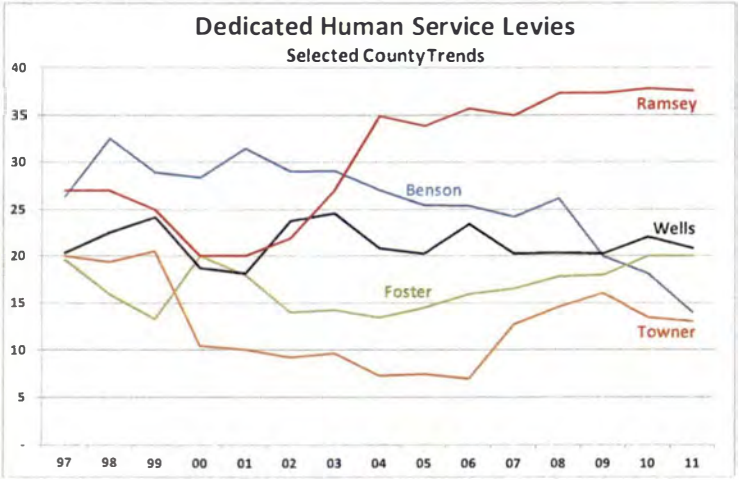
County Commissioners, which must appoint the social service board and levy the property taxes for its support, have become increasingly concerned with the rapidly growing local cost of the programs, and particularly the federal/state requirements that force staffing increases and dictate staff salary minimums. Counties currently employ approximately 800 FTEs in these departments. With the growing attention among citizens and the Legislature to property tax increases, some state and local officials have suggested that some or all of the local costs of human services be shifted to the State.

This broad topic is being discussed in a number of the Legislature's policy committees, and I fully expect to be before this Committee later in the Session to discuss this larger issue. Now, however, there are just two (relatively) small pieces of the county role in human service financing that I wish to address.

The first affects only a relatively few counties, but does so to an extreme. As the attached statute terms it, they are in "exceptional circumstances."

Since the implementation of the 'swap' legislation in 1997, when counties gave up their federal economic assistance administrative reimbursement in exchange for Medicaid "relief", the growth rate in county special fund costs for social services has moderated; and at least statewide the costs, relative to property value growth, remains relatively stable.





While this is the case statewide, the experience of individual counties is more varied. Drilling down to a few selected counties of just the Lake Region demonstrates some of this variation – and the inequity that results from tying human services to property values as a funding source.

Ramsey is one of those "exceptional circumstances" where their caseloads and therefore their costs, are well above the statewide average, but the property values that must support those costs are not.

For those counties that are far outside the average, the Legislature enacted two separate "fail-safe" provisions in a section of state law (50-01.2-03.2) titled "*Financing in exceptional circumstances*" (Attached – Page 6&7), one of which has historically been funded, and one that has not.

The 'reservation (or Indian) county' provision, (subsection 3) requires DHS to "*reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which the percentage of that county's average total supplemental nutrition assistance program caseload for the previous fiscal year which reside on federally recognized Indian reservation lands is ten percent or more.*" This funding, assisting six counties and totaling about $5 million for the current biennium, has been in place since 1997 and is critical to the continued delivery of social services in these counties.

The other 'fail-safe' provision is designed for any county where their total cost of human services – as determined by their dedicated human service levies in mills – is substantially (10 mills) more than the statewide average. As the tables (A1 & B2) that follow indicate, there are currently three counties meeting these criteria and there have been as many as six. The calculation required of this subsection (2) indicates that $571,000 should have been available to the impacted counties for CY2012. These funds have not been included in the DHS budget and the Legislature has not appropriated for this subsection of law since enactment in 1997.

Mr. Chairman and committee members, for the sake of the property taxpayers that are facing these "exceptional circumstances", if a more broad-based method of addressing county human service costs is not enacted, we ask that consideration be given to funding 50-01.2-03.2(2). In my discussion with DHS, I realize there may be concerns that funding this one biennium will bring those counties down to the average plus 10 mills, making them ineligible for funding in the next, but we are more than willing to work on a solution if it is the desire of this committee.

The second area I wish to address is much more recent in nature. This committee is well aware of the policy debates in recent Sessions around the topic of civil legal defense of indigent persons. I don't wish to bring up the legal defense costs, nor the often perceived conflict of requiring the counties to select and fund the attorneys on both sides of these issues, but there is a related cost that is quite specific to the DHS budget.

The largest number of these indigent cases are the involuntary commitment of individuals with mental health or substance abuse issues. As is obviously appropriate, state law requires a professional examination as stated in NDCC 25-03.1-10 (copy attached – page 8) prior to commitment. Often the place of examination for indigent individuals becomes the regional human service center.

Clearly this section of law states that the county can be billed for the costs of these examinations. However, it has been past practice in at least six of the eight human service centers to assume these costs, rather than shift them to the county property tax. As our office has recently learned, from the outpouring of surprise and indignation, all human service centers have determined it appropriate to bill the counties for these examinations.

As the law states, it is quite clearly within the authority of DHS to bill counties for these costs, however at a time when property tax increases are universally opposed, it seems unwise and counterproductive. Further, this change appears to have taken place this fall, during a budget which cannot be changed by counties, and immediately after the last opportunity for next year's budgets to be increased.

As the two example human service center bills attached will indicate (Pages 9&10), we are not talking huge individual costs – and at least one District Court Judge has taken exception to the policy. However, the fact that state costs, of any size, are being shifted to property taxes at this time is frustrating to those levying the property tax.

Mr. Chairman and committee members, we urge that you consider funding the Department for these examination costs and further, ask that 25-03.1-10 be amended to prevent the future shifting of these costs when they are incurred by state-supported personnel.

Dedicated Human Service Levies - Levied (in 2011) for 2012 Budgets

A1.

	Levy 1203 Human Service in Gen. Fund	Levy 1220 Human Services	Levy 1222 Emerg. Human Services	Total Dedicated HS Levies	Value of 1 Mill	Total Dedicated HS Levies in $	Amount Needed to Meet 50-02.1-03.2 Threshold
Adams		20.00		20.00	8,447	168,946	
Barnes		16.30		16.30	56,391	919,167	
Benson		13.98		13.98	18,698	261,401	
Billings		11.56		11.56	7,171	82,901	
Bottineau		12.39		12.39	38,712	479,637	
Bowman		7.96		7.96	19,912	158,500	
Burke		16.50		16.50	12,119	199,965	
Burleigh		15.76		15.76	279,895	4,411,139	
Cass		17.50		17.50	496,726	8,692,708	
Cavalier		20.00		20.00	30,066	601,326	
Dickey		17.35		17.35	23,650	410,323	
Divide		15.17		15.17	13,575	205,933	
Dunn	11.67			11.67	18,220	212,626	
Eddy		24.42		24.42	8,174	199,609	
Emmons		10.50		10.50	17,137	179,935	
Foster		20.00		20.00	15,542	310,845	
Golden Valley		16.04		16.04	7,168	114,977	
Grand Forks		20.93		20.93	200,357	4,193,476	
Grant		20.00	1.94	21.94	11,001	241,365	
Griggs		20.00		20.00	12,728	254,558	
Hettinger		18.09		18.09	14,533	262,897	
Kidder		17.00		17.00	12,699	215,876	
LaMoure		11.86		11.86	22,763	269,964	
Logan		16.50		16.50	9,181	151,484	
McHenry		13.38		13.38	27,012	361,417	
McIntosh		19.84		19.84	12,687	251,704	
McKenzie	11.08			11.08	26,905	298,113	
McLean		13.28		13.28	41,932	556,857	
Mercer		9.00		9.00	24,936	224,422	
Morton		16.46	1.96	18.42	84,378	1,554,250	
Mountrail		8.90		8.90	44,209	393,464	
Nelson		20.00		20.00	18,337	366,739	
Oliver		20.00		20.00	8,609	172,176	
Pembina		13.29		13.29	40,903	543,605	
Pierce		17.53		17.53	17,948	314,625	
Ramsey		20.00	17.55	37.55	33,599	1,261,643	356,796
Ransom		7.87		7.87	24,001	188,889	
Renville	9.71			9.71	14,418	140,003	
Richland		15.00		15.00	59,646	894,683	
Rolette		20.00	3.00	23.00	12,130	278,989	
Sargent		11.00		11.00	21,481	236,287	
Sheridan	10.12			10.12	8,062	81,585	
Sioux		17.51	17.51	35.02	2,563	89,758	20,733
Slope		5.97		5.97	7,844	46,830	
Stark	23.01			23.01	75,596	1,739,474	
Steele		11.63		11.63	21,502	250,071	
Stutsman		20.00	4.64	24.64	66,743	1,644,548	
Towner		13.03		13.03	15,088	196,594	
Traill	1.35	20.00		21.35	32,441	692,620	
Walsh		20.00		20.00	40,094	801,871	
Ward	20.00			20.00	189,606	3,792,122	
Wells		20.00	0.87	20.87	22,872	477,333	
Williams		20.00	9.42	29.42	78,057	2,296,444	194,304
			Average/Total	16.93	2,428,463	43,346,672	571,833
			Average Plus 10 Mills	26.93			

Total Dedicated Human Service Levies (In Mills) - Trends Over Time

B2.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Adams	29.19	23.59	22.87	22.80	24.91	31.96	24.59	25.45	26.86	25.70	24.33	24.66	24.26	20.00	20.00	Adams
Barnes	20.00	20.00	20.29	18.81	18.27	20.00	21.52	20.00	19.92	20.00	19.27	19.73	18.90	19.00	16.30	Barnes
Benson	26.43	32.56	28.94	28.42	31.48	29.06	29.09	27.09	25.44	25.40	24.24	26.24	20.00	18.19	13.98	Benson
Billings	15.36	14.73	15.07	7.76	6.37	6.02	10.32	12.06	12.98	13.93	12.70	12.57	13.34	11.97	11.56	Billings
Bottineau	20.00	20.00	15.86	10.99	16.84	10.09	17.17	16.17	16.20	16.87	17.45	16.23	13.88	15.43	12.39	Bottineau
Bowman	14.44	12.27	12.90	11.86	9.84	15.49	4.23	18.09	18.62	20.00	15.27	13.73	12.59	10.21	7.96	Bowman
Burke	17.36	15.11	9.48	5.51	5.06	11.00	13.76	13.59	14.06	13.89	14.77	14.81	14.61	13.22	16.50	Burke
Burleigh	17.90	17.70	18.65	20.18	11.16	22.01	15.67	19.68	18.14	15.92	13.12	16.32	16.21	16.31	15.76	Burleigh
Cass	18.14	20.94	20.15	19.89	19.89	21.00	21.00	21.00	19.00	18.00	17.50	17.50	17.50	17.50	17.50	Cass
Cavalier	21.41	20.05	20.46	20.50	19.76	19.72	20.57	20.57	20.00	20.00	20.00	20.00	20.00	20.00	20.00	Cavalier
Dickey	22.43	30.74	25.31	25.51	21.32	20.03	14.06	13.97	16.19	17.26	15.92	14.96	18.74	18.74	17.35	Dickey
Divide	17.12	15.47	15.49	15.11	15.54	14.99	15.49	16.76	22.94	21.03	18.07	17.82	20.00	16.91	15.17	Divide
Dunn	27.73	19.70	23.35	17.42	16.71	22.89	22.11	23.12	23.43	22.54	28.01	21.39	15.40	14.37	11.67	Dunn
Eddy	33.29	23.49	23.85	23.58	22.09	21.73	31.70	32.87	37.45	36.70	34.74	28.89	21.11	25.90	24.42	Eddy
Emmons	15.86	15.89	15.08	12.63	11.67	11.23	12.60	13.13	13.18	13.07	13.56	16.02	16.34	14.44	10.50	Emmons
Foster	19.60	15.94	13.28	20.00	18.00	14.00	14.28	13.43	14.50	15.93	16.50	17.80	18.00	20.00	20.00	Foster
Golden Valley	21.77	20.14	19.22	17.63	13.56	13.99	15.85	16.42	17.26	17.87	17.09	16.65	16.29	16.08	16.04	Golden Valley
Grand Forks	16.08	17.04	18.04	18.03	17.52	17.98	17.97	17.78	17.19	15.45	15.94	17.06	18.41	20.90	20.93	Grand Forks
Grant	20.22	24.11	23.44	25.18	22.52	20.00	20.00	21.15	20.42	20.68	19.78	23.77	25.00	22.00	21.94	Grant
Griggs	20.00	27.68	26.01	23.00	24.72	24.00	20.00	18.00	24.57	22.46	21.57	21.04	20.00	20.00	20.00	Griggs
Hettinger	29.00	26.80	22.59	20.00	16.00	11.45	11.55	18.55	20.00	27.00	24.50	24.78	24.41	24.23	18.09	Hettinger
Kidder	24.69	19.83	19.68	9.50	7.95	10.00	12.10	16.00	18.00	17.15	18.03	18.06	18.00	18.00	17.00	Kidder
LaMoure	17.72	16.47	12.11	14.39	15.08	4.82	19.53	17.31	17.26	13.34	8.01	16.39	17.56	15.61	11.86	LaMoure
Logan	22.18	22.17	20.00	20.00	17.99	16.51	14.00	14.00	14.50	18.00	20.00	18.00	14.93	16.00	16.50	Logan
McHenry	21.33	15.58	12.66	13.11	11.64	13.18	12.96	13.50	14.65	16.95	13.05	13.91	13.33	11.64	13.38	McHenry
McIntosh	23.51	23.51	24.53	21.73	21.34	20.82	20.75	20.67	20.34	20.00	17.06	19.64	20.00	19.83	19.84	McIntosh
McKenzie	16.54	17.42	7.66	4.26	-	-	-	17.23	17.25	18.88	6.31	-	7.17	10.15	11.08	McKenzie
McLean	15.94	13.53	11.16	13.47	13.10	13.62	17.07	16.37	14.99	13.71	11.79	11.98	13.99	14.80	13.28	McLean
Mercer	-	-	-	-	-	-	-	-	10.00	10.00	10.00	10.00	10.00	10.00	9.00	Mercer
Morton	22.95	26.33	27.84	27.36	26.86	26.86	26.86	26.86	26.50	27.50	27.50	27.50	19.50	18.76	18.42	Morton
Mountrail	23.19	27.14	23.06	25.02	23.04	23.94	25.34	20.00	23.69	26.38	25.18	28.97	23.37	11.50	8.90	Mountrail
Nelson	22.10	22.35	17.32	18.89	14.40	16.63	17.59	18.82	18.20	20.00	20.00	21.82	20.38	20.00	20.00	Nelson
Oliver	17.21	18.45	20.00	19.39	20.00	16.62	16.97	20.00	20.00	18.51	15.17	15.00	20.00	20.00	20.00	Oliver
Pembina	20.00	20.00	16.38	16.10	16.76	16.28	18.88	20.00	15.72	14.85	16.88	15.28	13.97	14.40	13.29	Pembina
Pierce	25.59	22.38	21.58	20.50	20.24	12.51	18.44	20.00	21.22	18.05	14.51	11.74	18.48	15.48	17.53	Pierce
Ramsey	27.00	27.00	25.00	20.00	20.00	21.88	27.00	34.91	33.88	35.69	34.99	37.36	37.37	37.83	37.55	Ramsey
Ransom	23.69	21.75	22.67	20.51	9.78	10.82	10.79	11.11	11.57	11.31	12.23	9.73	9.01	6.80	7.87	Ransom
Renville	11.41	11.40	9.23	12.58	10.93	10.45	8.08	11.08	10.91	10.53	11.54	11.51	14.52	12.29	9.71	Renville
Richland	20.00	18.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	15.00	15.00	15.00	15.00	15.00	Richland
Rolette	36.02	23.01	22.35	22.29	22.35	30.15	22.23	21.34	21.04	20.08	19.95	19.76	32.91	35.49	23.00	Rolette
Sargent	18.10	10.77	12.74	10.20	9.37	10.98	12.41	13.51	11.90	12.57	14.20	12.06	10.79	9.43	11.00	Sargent
Sheridan	24.59	23.68	20.59	16.60	14.95	14.06	20.00	20.00	21.00	21.00	15.76	8.48	13.99	11.08	10.12	Sheridan
Sioux	41.10	41.32	41.29	41.57	41.41	40.88	40.77	44.13	41.77	43.72	44.13	41.46	38.73	19.20	35.02	Sioux
Slope	13.61	13.26	13.43	13.28	11.12	14.46	14.45	14.44	15.38	8.26	8.24	7.85	7.84	5.88	5.97	Slope
Stark	44.08	42.78	36.82	36.56	34.70	32.43	32.64	37.57	36.67	37.20	32.87	30.62	25.92	27.07	23.01	Stark
Steele	15.39	16.16	14.78	15.35	14.83	15.30	15.95	13.89	14.67	14.01	13.68	14.28	13.89	11.90	11.63	Steele
Stutsman	24.96	24.46	24.45	25.04	24.85	26.20	26.37	27.17	26.29	26.80	25.21	25.21	26.00	25.84	24.64	Stutsman
Towner	20.04	19.38	20.51	10.45	10.00	9.21	9.63	7.30	7.47	6.93	12.74	14.60	16.07	13.45	13.03	Towner
Traill	16.70	14.68	11.72	13.97	16.42	18.68	19.44	22.69	21.84	23.04	25.84	23.54	18.08	20.26	21.35	Traill
Walsh	21.81	20.75	22.43	22.25	21.70	24.86	24.86	24.86	26.08	26.08	22.83	22.83	22.83	20.83	20.00	Walsh
Ward	24.09	21.58	22.71	22.97	24.86	24.50	25.86	25.49	23.10	25.93	19.89	21.33	19.65	20.43	20.00	Ward
Wells	20.37	22.52	24.19	18.70	18.18	23.77	24.55	20.86	20.28	23.45	20.26	20.36	20.25	22.09	20.87	Wells
Williams	34.47	34.12	34.92	35.08	34.32	33.67	36.04	37.69	42.85	43.27	38.17	36.92	31.13	29.67	29.42	Williams
Average	21.77	20.86	19.64	18.55	17.52	17.92	18.53	19.71	20.27	20.38	19.16	18.93	18.67	17.66	16.93	Average

Highlighted levies indicate those more than 10 mills higher than the statewide average.

50-01.2-03.2. County duties -- Financing in exceptional circumstances.

1. Each county social service board shall administer, under the direction and supervision of the department:

   a. Locally administered economic assistance programs;
   b. Replacement programs with substantially similar goals, benefits, or objectives; and
   c. When necessary, experimental, pilot, or transitional programs with substantially similar goals, benefits, or objectives.

2. From the abstract of tax list prepared pursuant to section 57-20-04, each county shall annually provide the department of human services a report of the total mills levied for human service purposes pursuant to sections 50-03-01, 50-03-06, and 50-06.2-05, and the countywide value of a mill in each county. Upon receipt of reports from all counties, the department shall determine the statewide average of the mill levies and identify each county that levied ten mills more than that average. Each identified county is entitled to a share of funds appropriated for distribution under this subsection. Each identified county's share is determined by:

   a. Reducing its mill levy necessary to meet the costs of providing human services required under this title by the statewide average mill levy determined under this subsection plus ten mills;
   b. Determining the amount that could have been raised in that county and year through a mill levy in the amount calculated under subdivision a;
   c. Totaling the amounts determined under subdivision b for all counties entitled to a distribution;
   d. Calculating a decimal fraction equal to each identified county's proportionate share of the total determined under subdivision c; and
   e. Multiplying that decimal fraction times one-half of the biennial appropriation.

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which the percentage of that county's average total supplemental nutrition assistance program caseload for the previous fiscal year which reside on federally recognized Indian reservation lands is ten percent or more. The reimbursement must be such that:

a. An affected county's actual direct costs and indirect costs allocated based on a percentage of each county's direct economic assistance and social services costs for locally administered economic assistance programs will be reimbursed at the percentage of that county's average total supplemental nutrition assistance program caseload for the previous state fiscal year which reside on federally recognized Indian reservation land not to exceed ninety percent;

b. The affected counties will receive quarterly payments based on the actual county direct and indirect costs, as provided in subdivision a, for the previous state fiscal year;

c. At the end of each fiscal year the actual quarterly payments paid must be reconciled to the current year of calculation of actual direct and indirect costs as provided in subdivision a and supplemental nutrition assistance program caseload and counties must be compensated accordingly in the first quarter of the new fiscal year; and

d. The reimbursement will be calculated for each county and reported to the county social service board prior to September first

25-03.1-10. Involuntary treatment - Court-ordered examination.
If the petition is not accompanied by a written supportive statement of a psychiatrist, physician, psychologist, or addiction counselor who has examined the respondent within the last forty-five days, the court shall order the respondent to be examined by an expert examiner of the respondent's own choice or one appointed by the court. The order must state the date and time within which the respondent must appear; the address to which the respondent is to report; a statement that if the respondent fails to appear at the appointed place at or before the ordered date and time, the respondent may be involuntarily taken into custody and transported to the appointed place; and a statement that the expert examiner may consult with or request participation in the examination by a qualified mental health professional and may include with the written examination report any findings or observations by that mental health professional. Accompanying the order must be an explanation of the intended uses and possible effects of this examination. The examination may be conducted at a treatment facility, at the respondent's home, or at any other suitable place in the community. A request for examination at the state hospital must be screened and approved by a regional human service center. The respondent may be accompanied by one or more relatives or friends at the place of the examination. The costs of the court-ordered examination must be borne by the county that is the respondent's place of residence.

north dakota
department of
human services

Lake Region Human Service Center
Kate Kenna, Regional Director
200 Highway 2 SW, PO Box 650, Devils Lake, ND 58301-0650
Ph (701) 665-2200
Fax (701) 665-2300
TTY (701) 665-2211
Toll Free 888-607-8610
24 Hr. Emergency Service (701) 662-5050

Jack Dalrymple, Governor
Maggie D. Anderson, Interim Executive Director

113 Main Ave E, PO Box 88, Rolla ND 58367-0088
Rolla Ph (701) 477-8272
Rolla Fax (701) 477-8281

November 26, 2012

36-2012 MH [redacted]

BILL TO: RAMSEY COUNTY CLERK OF COURT
UNIT 4
524 4TH AVE NE
DEVILS LAKE, ND 58301

RE: [redacted]
DOB: [redacted]

DATE	DESCRIPTION	QTY	COST	TOTAL
10/19/12	Psychological clinical interview	1	$355.50	$355.50
10/23/12	Psychological testing	1	$2,131.50	$2,131.50
TOTAL AMOUNT DUE				~~$2,487.00~~

Court will allow Payment of $500.00/00. The State has incurred no extraordinary expense in Providing this service. The bill submitted is unreasonable imposing upon a subordinate governing authority, the county, the full economic cost of the service provided. 11-30-12

north dakota
department of
human services

Jack Dalrymple, Governor
Carol K. Olson, Executive Director

Northeast Human Service Center
Kate Kenna, Regional Director
151 South 4th St, Suite 401, Grand Forks, ND 58201-4735
(701) 795-3000
Fax (701) 795-3050
24 Hour Crisis Line (701) 775-0525

Vocational Rehabilitation: (701) 795-3100
5th & School Rd, PO Box 654, Grafton ND 58237 (701) 352-4334
Toll Free: Grand Forks 1-888-256-6742 Grafton 1-888-845-2215
Ruth Meiers Adolescent Center (701) 795-3870
Duane R. Dornheim Home (701) 795-3889

September 28th, 2012

INVOICE # **1031005**

VENDOR # 674
GL ACCT #'S 1000 4217 0000 0307
$ 721.75
DEPT SPAD
AUDITOR'S TAX DISTRICT

GRAND FORKS COUNTY STATES ATTORNEY
PO BOX 5607
GRAND FORKS ND 58206-5607

RE: Request for Payment for [redacted]
SA # 123446

Dear States Attorney,

On August 27, 2012, we received an "Order for Appointment of Expert Examiner and Examination" from District Court.

On August 30th, 2012, Dr. Goodman of the Northeast Human Service Center conducted the examination as ordered.

The Order indicates the service to be "paid by the County".

The billing for the service provided on August 30th, 2012 is $ 721.75.

Please remit the $ 721.75 to:

Northeast Human Service Center
151 South 4th St, Suite 401
Grand Forks ND 58201

Sincerely,

Lynn Bingham, Business Manager
795-3131

Attachment (3)

January 21, 2013

Testimony in support of
HB 1012 – Department of Human Services

Chairman Pollert and Members of the Human Resource Division of the House Appropriations Committee, I am Karen Ehrens, Coordinator of the Creating a Hunger Free North Dakota Coalition. The CHFND Coalition is a statewide network of organizations, agencies and individuals established to collectively identify and address unmet food and hunger needs and their underlying causes.

The Creating a Hunger Free North Dakota (CHFND) Coalition supports the elderly nutrition programs for their roles in helping to provide quality, safe and adequate food, opportunities for socialization and their role in helping people to remain living in their own homes and communities.

The following CHFND Coalition members:

> AARP North Dakota; Great Plains Food Bank; the North Dakota Academy of Nutrition and Dietetics; North Dakota Department of Human Services – Aging Services Division; North Dakota Department of Human Services – Supplemental Nutrition Assistance Program; the North Dakota Economic Security and Prosperity Alliance; and the United Tribes Technical College Extension and Nutrition and Foodservice Programs

support, at minimum, the additional funding of $800,000 included in the NDDHS budget to help our seniors access adequate foods for the following reasons:

- **It is estimated that five and one-half percent of seniors in our state are food insecure**[i]. Food insecurity means not having regular access to enough nutritious food for a healthy life. Access to nutritious food includes being able to get to a source of food like a supermarket, food store, or restaurant, and having sufficient financial resources to purchase it.

- **Older adults who experience food insecurity are more likely to have lower intakes of key nutrients necessary for leading healthy and fully functioning lives.** The seniors who built our great state wish to remain living independently in their own homes for as long as possible, and these food and nutrition programs help to ensure that this happens.

- **Food prices are expected to increase three to four percent in 2013 after increasing two to three percent in 2012**[ii]. Meeting the increasing costs of food in addition to providing competitive wages for the people who prepare these important meals is becoming increasingly difficult.

Please consider authorizing funding the public side of these public/private joint efforts. Doing so will help our most vulnerable North Dakotans achieve food and nutrition security. We urge the committee to capitalize on this opportunity available to us today to invest in improving the quality of life for North Dakota's elders.

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[i] Meals on Wheels Research Foundation, 2010

[ii] USDA Economic Research Service, December 2012
http://www.ers.usda.gov/data-products/food-price-outlook/summary-findings.aspx

Attachment 4

Testimony

House Bill 1012- Department of Human Services

House Appropriations – Human Resource Division

Representative Pollert, Chairman

January 21, 2013

Mr. Chairman, members of the House Appropriations Committee- Human Resources Division, thank you for allowing me the opportunity to provide testimony. My name is Janell Regimbal. I serve as Senior Vice President of Lutheran Social Services of North Dakota. I am here today with two objectives: to ask you to support the Governor's budget which has added $250,000 (for a total of $750,000) for the Lutheran Social Services' Healthy Families child abuse prevention program sites currently operating; I also respectfully urge your consideration of an amendment to increase the Department of Human Services budget to allow for an additional $750,000 to be utilized in the expansion of this service to two more sites.

Healthy Families is an evidence- based ***voluntary*** home visiting program that serves highly challenged families beginning either prenatally or at birth until the child reaches age 3. Services have been provided in North Dakota since April of 2000, first in Grand Forks and Nelson counties and later expanding to Burleigh and Morton counties in June of 2008. There is no cost to families to participate. The ultimate goal of Healthy Families is to prevent child abuse and neglect and the long-term effects that it causes.

We are grateful that the Governor has already placed additional support in the budget, removing funding obstacles that have limited our ability to meet current client demand. The shift from private foundation funding, initially supporting our expansion to Burleigh/Morton counties during the first three years of operations there, took place midway in the 2009/11 funding cycle. Shortfalls were the results of the unintended consequences of later hold even budget restrictions as budgets were initially based on what was only needed for one year rather than two, locking us into a scenario of on-going shortages. We do seek support from grants and United Way. These sources are limited since Healthy Families is no longer a "new service". This shortfall of $250,000 is something we could not make up with private funds on top of the dollars we are already raising.

There is numerous research-based and cost efficient ways to prevent social as well as health problems today. In almost all cases one would safely assume that it is both a cost savings as well as a life saving effort to employ these prevention practices whenever possible. Ethically it seems that one should never pass up an opportunity to stop something hurtful from occurring - yet it happens all the time. Prevention is grossly under funded at both the state and federal level in comparison to funding for interventions. Getting things right the first time is easier and less costly than trying to fix them later.

It is with this thinking we approach you for consideration of allowing for the opportunity for expansion. North Dakota's promising economic conditions have not necessarily translated into positive childhood experiences for our states most vulnerable citizens – our children. Feelings of stress and

overwhelm is often reflected in parenting. Child welfare agencies are experiencing high caseloads related to childhood abuse and neglect, domestic violence continues to be a significant issue in our families and the influx of new families to North Dakota who arrive without extended family support or knowledge of community resources can easily translate into increased child maltreatment.

Research tells us that the first three years of life are a period of incredible growth in all areas of a baby's development. The trauma of abuse and neglect on the other hand has lasting implications for this development. The Adverse Childhood Experiences (ACE) Study, a collaborative research between the Center for Disease Control (CDC) and Kaiser provides staggering proof of the health, social and economic risks resulting from childhood trauma. Children from birth to age three continue to be the age group most likely to be victims of maltreatment. Most maltreated babies are under age one and more than 1/3 were harmed during their first weeks of life. This fact alone makes primary prevention efforts like this critically important!

Lutheran Social Services Healthy Families has been very successful in North Dakota but services have only been offered in a four county area. Soon services will be available on the Turtle Mountain and Spirit Lake Nations as we are one of the collaborating partners with Prevent Child Abuse North Dakota and the Tribes in bringing this programming to those critical locations through the Maternal Infant Early Childhood Home Visitation federal grant. This is a great opportunity - but we still have many areas of the state untouched.

Weekly home visits provided by highly trained paraprofessionals support families' progress by teaching parenting skills, educating on healthy child development and by teaching tactics to reduce family stressors.

The proposed objectives of Healthy Families are:

- Decrease child abuse and neglect and out-of-home placement
- Enhance children's physical and social emotional development
- Improve parenting skills and focus on fatherhood issues
- Promote children's health, safety and well-being
- Encourage achievement and self-sufficiency of parents
- Decrease subsequent unplanned pregnancies
- Increase early prenatal care and decrease pre-term, low birth weight babies

Outcomes of our program have been strong:

- Children served in Healthy Families experience a lower rate of being victims of child abuse/neglect even though those that participate are in a high risk group as identified through our screening process. Grand Forks County data from 2010 Kids Count indicates that 5.1% children were victims of child abuse and neglect with 173 children requiring Child Protection Services (CPS). In the past 5 years 4 of 378 children served in Healthy Families were involved in CPS with only 1 having services required. 1.06% served were reported abuse/neglect victims versus 5.1% of Grand Forks county children.
- Routine Parent-Child Attachment Assessments are completed by staff observations. A parent score of 32 out of a possible 40 indicates the child's emotional needs are met. At risk participants in our program have an average score of 37, indicating a healthy relationship which is critical to prevention of abuse and neglect.
- Periodic Developmental Screenings monitoring the child's growth and development indicate children are on track with their development, lowering the need for special services and helping to assure school readiness.
- Program data shows that 96% of children in our program are up-to-date on immunizations and 94% are receiving their well-baby checkups, well above the statewide average.

- 68% of fathers are participating in their children's lives even though 85% of mothers involved are single.
- 94% of families participating in the program are working or in school.

Help us expand these promising outcomes to more North Dakota children and join in a vision to have this effective primary child abuse prevention program eventually offered in each human service region of the state. Taking this step of including an additional $750,000 this next biennium will bring us halfway, certainly a step in the right direction.

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. All young children should be given the opportunity to succeed 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 by working to prevent problems or delays which become more costly to address as children grow older, not to mention the cost of trauma to the individual suffering its direct impact.

Thank you for your time. Please stand with us in a commitment to our state's children and families by further investing in this proactive approach. Strong families are the greatest asset of strong communities and a strong state.

Dear Legislator,

My name is Christian Watchus. After the birth of my daughter 7 Months ago, I had no idea how to be a father. We were offered the chance to join a program called Healthy Families, which I eagerly joined, hoping to recieve some help and guidance when it comes to parenting.

The Healthy Families program has been invaluable to me in teaching me how to be a good father. The weekly visits from our support worker have been increasingly helpful in answering any questions

that I have, as well as offering any advice that may help in raising my daughter in a safe, positive way.

The activities offered through this program help promote family time and togetherness in my household, which I value above all else.

As a father who was extremely afraid of being a new father, this program has helped ease me into the amazing experience of being a father, and I could not be grateful enough.

I would like to give my sincerest thanks and support for this program and others like it, in hopes that other families may enjoy the experiences and guidance that I have recieved.

Thank you for your time in reading this.

Christian Watchus

My daughter Ahri thanks you too!

To whom it may Concern:

My name is Alisha Berger; I am 23, a full time College student, a support staff at Pride, a devoted Christian, a Faithful girlFried, but most importantly I am a Mother. I have a wonderful 18 month old son named Hunter, he is the Joy and light of my life, everything I strive for in life is for him.

Two years ago I was Introduced into the healthy Famlies program through the Healthy North Dakota Early Childhood Alliance, and fell in Love! This program has had a huge impact on my life and at times has been my strongest support

System. Over the first 7 months of Hunters life our family was faced with 6 deaths of whom where very close family members. This pushed my boyfriend / Hunter father into his old addiction that he had been clean from for the past 10 years. This left me to fend for our son and Hunter by my self. The Healthy Family staff and I had a very close connection. She helped me stay focused on Hunter and brought mile stones and activities to work on to keep my mind off of the depressive reality. She brought me information and helped me find a way

To help him. I can say Proudly that he is now Clean and a wonderful father to our Son again I am so thankful for the support of this program. They continue to check Hunters development and ways to interact with new interesting activities.

This program is a wonderful part of my life. I am very greatful they are in my life, they have Provided wonderful information for a first time mother, and have helped me keep everything in my life together.

Dear Legislator;

My name is DeAnna Rast, I am the mother to Selina Schily and grandmother to Aiden Nicolemus, Jazmin Nicolemus, Abigail Schily and Bianca Schily. I sit in on a majority of the visits at my home. This is the experience that my family has had with the home services.

Throughout the past seven months I have witnessed and watched my daughter grow more and more into a very responsible mother and learning new ways to raise her kids (my grandchildren) in ways to better themselves and herself at the same time. My daughter and grandchildren have been through a lot of hard times before the services have started. All I can say is I'm very proud of my daughter with all her improvements.

The support worker that we have has helped a great deal

in my daughters life for the better. I am very grateful that she is a part in our lifes.

If you would like to hear more about the improvements that the support worker has made in our lives from beginning to end Please don't hesitate to call me at 701 595 2891 my name is DeAnna.

Thank you for your time.

Sincerely

DeAnna Rade

12-12-12

Attachment (5)

House Appropriations Committee – Human Resources Division
Testimony on House Bill 1012
Representative Chet Pollert, Chairman
January 21, 2013

Chairman Pollert and members of the House Appropriations Committee – Human Resources Division, my name is Dale Twedt and I am the Executive Director of PATH, North Dakota. I am here today representing the youth of this state who age-out of foster care into adulthood. The North Dakota Department of Human Services: Children and Family Services Division administers the statewide Chafee Independent Living Program. Chafee IL programming is provided to youth by PATH North Dakota as a contracted provider agency. PATH employs a Chafee IL Coordinator in each region throughout North Dakota.

North Dakota Chafee Foster Care independence Program services include components to current foster care youth, foster care alumni, and Education and Training Voucher (ETV) program.

Services include:

- Providing services for foster youth age 16 or older identified as "likely to age out of care" (Priority 1 youth) as well as those who have aged out of care;
- Meet individually with youth to discuss needed resources;
- Refer youth to community organizations;
- Attend and participate in foster care child and family team meetings;
- Complete youth assessments;

- Complete discharge checklist with youth/case workers 90 days prior to aging out of care;

- Facilitate regular youth group meetings and offer educational training/life skills/etc.;

- Assist youth in gaining employment;

- Assist youth in exploring post-secondary education option (ETV awards);

- Provide youth financial resources to purchase work clothing, gas cards, rent deposits, etc. (Flex Funding).

Youth aging out of foster care are at a much higher risk for problems than the general population. These youth are 84% more likely to become early teen parents, 51% more likely to be unemployed, for those who get employed; they are 48% more likely to have a median salary below poverty level. Thirty percent of youth who age out of foster care have no health insurance, 36% are homeless or have experienced multiple homeless occasions. Twenty-six percent go on to receive public assistance. This population of young adults experience social problems to a high degree that impact their ability to function in society. Examples include: 38% are emotionally disturbed; 50% report using illegal drugs; 25% were involved with the criminal justice system; and only 2% complete college.

Independent Living services are designed to improve life skills for these youth. Case managers track and monitor youth exiting care and provide financial, housing, counseling, employment, education and other supports and guidance. These services provide a safety net that has shown to be effective. National statistics show that for every dollar spent on Chafee Independent Living Services, two dollars are returned through the impacted adult's earnings and reduction on long-term system supports.

Federal Chafee allocation requires a minimum of 20% matching funds. The State of North Dakota provides no financial support to the program to match the basic federal allotment. To perform adequate services under the current contract, PATH actually provides a 45% match or approximately a $225,000.00 match. This is not a sustainable service unless the state of North Dakota, through the Department of Human Services can appropriate additional funds to offset the costs of service provision. If the match can be reduced to only 20% by PATH, we can continue to provide high quality services to this vulnerable population statewide. This is a request for the State of North Dakota to allocate an additional $125,000.00 to meet the minimal needs of the program. Currently North Dakota is the only state not directly allocating additional dollars to the Chaffee Independent Living Program.

We have brought copies of information for you to consider. Thank you for allowing me to address your Committee and for your attention and consideration of our concern. I would be happy to try to address any questions you may have.

Independent Living Services
The transition of Youth from foster care to Adulthood

Approximately twenty-five percent of foster care alumni or adults who had experienced foster care later experienced post-traumatic stress. The general population by comparison experiences post traumatic stress at a rate of four percent. [8, 11]

The youth who are at highest risk of aging out of foster care are those entering as teenagers. [11]

All the available evidence suggests that they experience a set of problems that makes finding a niche in adult society an enormous challenge. These include:
- ***38 percent were emotionally disturbed*** [26];
- ***50 percent had used illegal drugs*** [21];
- ***25 percent were involved with the criminal/legal system*** [23];
- approximately 48 percent had graduated from high school [2];
- Two to four years after they left the system, only ***38 percent had stayed employed***;
- and only ***48 percent had held a full-time job***. And of those who had held a full-time job, the ***median weekly salary was only $205***. [3]

Outcomes during transition from care to adulthood [8]	National data	Regional or Local data
Earned a high school diploma	54%	50% - 63%
Obtained a Bachelor's degree or higher	2%	2%
Became a parent	84%	42%
Were unemployed	51%	30%
Had no health insurance	30%	29%
Had been homeless	25%	36%
Were receiving public assistance	30%	26%

Youth who fail to reach a permanent status with parents or other relatives and who thus remain in foster care until reaching the age of 18 are ***likely to face poor economic and social circumstances as they enter adulthood***. [1]

Youth aging out of foster care are ***underemployed***, and that ***even those who do work have a mean level of income below the federal poverty line.*** Youth aging out of foster care who do work, begin early, researchers note, although these youth tend to progress rather slowly in the labor market in comparison with other youth. [4, 11, 14]

Young people aging out of foster care are at a disadvantage in the labor market because they lack preparation for life demands. Too often, the human capital deficits of former foster youth are compounded by a lack of social capital. Young people aging out of care may not have had opportunities to develop relationships with adults who connect them with employers in a position to offer either entry-level jobs or internships. [6, 7, 17, 20]

Early Parenthood - The rate of ***teenage pregnancy*** is much higher among youth aging out of foster care than among other adolescents. Consequently, many young people are already parents by the time they age out of foster care. Others become parents soon thereafter. [13, 18]

The transition for young people, who exit foster care not through reunification, adoption, or legal guardianship, but rather by aging out, is much more abrupt. At age 18 or, in some states, at age 21, these young adults are expected to shift from being dependents of the state to independent young adults virtually overnight. ***As part of the accelerated transition, young people aging out of foster care must find and maintain suitable housing—in most cases, with little or no support from either their family or the state.*** [7, 25]

Studies have consistently found a relatively ***high rate of homelessness*** among young people who aged out of foster care. In addition, and perhaps more commonly, young people who have aged out of care experience periods in which they are precariously housed. They may live with others, but the arrangement is not permanent. Compared to their peers in the general population, young people who have aged out of foster care are more likely to report the inability to make a rent payment and are more likely to report an eviction. [16]

Former foster youth are more likely than their non–foster care counterparts to describe their health as fair or poor or to report a serious health problem. They exhibit ***higher rates of mental health and substance use disorders than young adults in the general population.*** They are also more likely to have a criminal record. [23]

Just as inadequate income makes it difficult for young people aging out of foster care to pay rent or utility bills, inadequate assets can be a problem. ***Young people frequently age out of foster care with few if any assets***, and former foster youth are less likely than their peers to have accumulated savings in a bank account. [7, 8, 24]

No Family Safety Net. Family is an important resource for young people during the transition to adulthood. Parents often provide their adult children with substantial financial support, including assistance with rent payments. Young people aging out of foster care cannot count on family for such assistance. [7, 19]

Juvenile or Criminal Record - Research has shown that young people aging out of foster care are ***more likely to have been involved with the juvenile or criminal justice system than their peers in the general population*** and that involvement with the justice system is especially common among young men. [24]

Youth in foster care are often not exposed to the types of informal life skills learning experiences that families typically provide. Similarly, youth in foster care often have little opportunity to practice basic daily living tasks (such as cooking, budgeting, or shopping) and develop the confidence that results from successful performance. [25]

The most significant obstacles facing youth who age out of care include lack of support for education, housing, health care and employment. [20]

Foster youth approach the transition to adulthood with ***significant educational deficits***. Young adults who age out of foster care are more than twice as likely not to have a high school diploma or a GED as their peers. [5, 9]

Only two percent of aging-out youth finishes college. [10]

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attachment (6)

Testimony

Department of Human Services

Program and Policy Contracts with 4% Inflation

The Village Family Service Center's Intensive In-Home Services

Chairman Pollert and members of the Committee,

Janelle, Peter, Josh and Brittney* are North Dakotans. They aren't the North Dakotans who are benefitting from the oil boom or the growth in our bigger cities, or from our good educational system. They live in rural North Dakota and make a life working long days and shift hours at hard jobs in the town they grew up in. Neither Janelle nor Peter had much growing up. One was raised in an alcoholic home; the other was sexually molested as a child. When they got married, they agreed their kids would have it better. But, they don't know how. Neither has ever lived in a functional family, so they yell a lot; at each other and at the kids. Their home isn't clean and neither are the children. Josh is struggling in school. He gets bullied and hits his classmates. He spit on a teacher. Brittney tries to be "good" and is socially shy and awkward. She is in 3rd grade and hasn't started to read yet. When Janelle hit Josh in frustration, the school counselor called County Social Services. After visiting the family, Social Services made a referral for Intensive In-Home Services at The Village Family Service Center.

Neither Janelle nor Peter had much growing up. One was raised in an alcoholic home; the other was sexually molested as a child. When they got married, they agreed their kids would have it better. But, they don't know how.

Thank you for allowing me the opportunity to testify here today. My name is Sandi Zaleski and I am the Program Director at The Village Family Service Center. I am here to support the fully-funded 2013-2015 OARs within the Department of Human Services biennium budget. For the past 25 years, The Village has contracted with the Department of Human Services to provide Intensive In-Home Services to at-risk children and their families across the state of North Dakota; families like Janelle, Peter, Josh, and Brittany. The purpose of Intensive In-Home Services is to preserve the family unit when it is safely possible, prevent the unnecessary placement of children into foster care, and assist with family reunification of children who are already placed in foster care. Services are provided in the home for at least 30 days and up to six

months. In the last 1 ½ years we have served 868 youth ages zero to 18 years in the regions of Williston, Minot, Devils Lake, Jamestown, Grand Forks, and Fargo.

Intensive In-Home Services are effective, respectful of families, and quite frankly "beloved" by parents, children, and referral sources. Families are engaged around solving their own problems—we work with them in their home environment, within their communities, and around their work schedules. Families like Janelle and Peter's learn what good parenting looks like, and develop the skills to effectively parent and support their children. They learn about child development and child mental and behavioral health. Our staff are trained in multiple evidence-based therapies and interventions to meet the needs of a variety of types of families.

We respect and understand that the family structure in North Dakota has changed in the past 20 years. Nearly 80% of the parents we work with are single parents. We are also working with more grandparents and relatives who are raising children, and serve a growing number of special needs children in adoptive homes to help preserve these placements.

Referrals for Intensive In-Home Services come from a variety of state and private agencies. Nearly 50% of referrals come from County Social Services Child Protection and Child Welfare units. Thirty-six percent (36%) of referrals come from mental health agencies, human service centers, psychiatric hospitals, and other psychiatric services. Fourteen percent (14%) of our referrals come from schools, Head Start, juvenile court, or parents who call directly for our services. Some parents receiving Intensive In-Home Services struggle with parenting children with severe mental health and behavioral issues. Mental health issue in children can be attributed to a variety or combination of factors, such as child abuse and neglect, biological or social reasons, severe parent-child discord, disrupted parenting, domestic violence, or a parent's history of substance abuse or mental health issues. The majority of families receiving services experience multiple problems that require comprehensive treatment planning.

Intensive In-Home Services are effective, respectful of families, and quite frankly "beloved" by parents, children, and referral sources.

A review of client demographics gives a picture of the North Dakotans we serve:

- The average number of family members in the household is four.
- Fifty percent (50%) of households report an income of less than $20,000 annually, and 30% of the households report an income from $20,000 to $40,000.
- Twenty-six percent (26%) of children had a parent with a history of incarceration.
- Seventy-four percent (74%) of families are Caucasian; 12% are Native American; 7% are bi-racial; 2% are Hispanic; 3% are African American; and 2% are Asian.
- Thirty-six (36) families in 2011-2012 were former refugees that are new to North Dakota.
- Children's mental health diagnoses include Attention Deficit Disorder with or without Hyperactivity, Oppositional Defiant Disorder, Anxiety and Depressive Disorder, and Post-Traumatic Stress Disorders.

Our projected cost per child is between $2,000 and $2,500 per year, compared to the annual cost of $25,782 for a child in foster care in the U.S. (as reported by the National Adoption Council)

- Children served range from zero to 18 years of age, with an average age of 13 years old.

The Village's licensed professionals must be highly trained to provide family therapy, parenting education and skills, parent-child relationship counseling, and skills-based work with both parents and children. Staff work closely with the child and family team to explore resources based on family needs and to coordinate care.

Intensive In-Home therapists must possess a variety of professional skills, such as flexibility and adaptability to evening work, along with rural travel and the ability to work with different family systems in the home environment. They must also be trained in many evidence-based therapies and interventions, including:

- Cognitive Behavioral Therapy
- Child-Parent Psychotherapy
- Family Behavior Therapy
- Family Group Decision Making
- HOMEBUILDERS Program
- LifeSkills Training
- Motivational Interviewing
- Parent-Child Interaction Therapy
- Trauma-Focused Therapy
- Positive Parenting Program

As with any program, Intensive In-Home Services cannot be done without funding. In the 2011-2013 biennium, our contract was for $1,258,270. Our projected cost per child for Intensive In-Home Services is between $2,000 and $2,500, with 600 children served with this contract and 400 served with Medicaid or commercial insurance. In comparison, The National Adoption Council estimates the average annual maintenance and administrative costs for each child in foster care in the U.S. during Fiscal Year 2010 were $25,782 (Source: https://www.adoptioncouncil.org/ publications/adoption-advocate-no-35.html).

"We are more loving, and mom and dad are yelling less."
-14-year-old girl

In addition, research conducted in the last 20 years shows that children in foster care are more likely to become juvenile delinquents or teen mothers, drop out of school, have lower grades commit crimes, abuse drugs, and be arrested as adults (Doyle 2007; Doyle 2008; Lawrence, et al, 2006; Tassig, 2001; citations found at http://nccpr.info/the-evidence-is-in-foster-care-vs-keeping-families-together-the-definitive-studies/).

Intensive In-Home Services is an important and effective program that serves the children and families of North Dakota. Our outcomes in the last 1 ½ years show that:

- Eighty-seven percent (87%) of children were prevented from entering placement and could safely remain at home.
- Eighty-eight (88%) percent of the families achieved their stated goals.
- Child Adolescent Functional Scale measures were improved with many families, with the most improvement noted in the domains of *home, school*, and *behavior towards others.*
- Client and referral sources showed satisfaction with services. Comments on satisfaction surveys regarding "Changes you noticed as a result of In-Home Services" were:
    - "Found out more on how to cope with our child's mental health issues." – 32-year-old father
    - "Calmer happier home life and better response from everyone when conflict arises." – 39-year-old mother
    - "Less yelling." – 16-year-old boy
    - "We are more loving and mom and dad are yelling less." – 14-year-old girl

- "We are talking about our feelings and working hard on united parenting." – 33-year-old father
- "Major progress was made towards being able to manage emotions and behaviors more appropriately." – referral source
- "Counselor was a strong advocate and support for family." – referral source

Janelle and Peter have greater hope for their future as a family.

And what about Janelle, Peter, Josh and Brittney? Their family is far from perfect, but has made significant progress since receiving Intensive In-Home Services. Janelle and Peter talk without yelling. Their home is in better order, the children are cleaner, and they have family meals together at least three nights a week. Through intensive parent training, Janelle and Peter have learned to listen and talk to their children without hitting. Josh is learning new ways to handle his anger. Peter spends at least 45 minutes each night reading with Brittney, who is now in 4th grade and reading at her grade level. Janelle and Peter attend parent-teacher conferences together and started a college fund for the kids. They now have greater hope for their future as a family.

On the behalf of this family, as well as all North Dakotans working to be good parents, please fully fund the 2013-2015 OARs within the Department of Human Services biennium budget and continue to support the provision of Intensive In-Home Services from The Village Family Service Center.

**Names of the family members have been changed to protect confidentiality.*

attachment 7

House Bill 1012- Department of Human Services

House Appropriations – Human Resource Division

January 21, 2013

Tim Hathaway, Prevent Child Abuse ND

Chairman Pollert, and House Appropriations committee members, my name is Tim Hathaway and I am the Executive Director of Prevent Child Abuse North Dakota. We are a not for profit agency partnering to prevent the maltreatment of children in our state for over 30 years. Prevent Child Abuse North Dakota is a leader in evidence based home visitation systems development efforts, building infrastructure and capacity for the past three years. Last year we initiated the North Dakota Home Visitation Coalition, a network of twenty-five organizations engaged in the work of changing North Dakota's families through individualized, professional early childhood services.

I am testifying today in support of the Governor's budget request to add an additional $250,000 for the existing Healthy Families North Dakota sites operating in the Bismarck and Grand Forks regions. I would also encourage you to expand this opportunity to more families in the state by authorizing $750,000 to be utilized in the expansion of this work to two additional sites.

Healthy Families ND is committed to clear outcomes and standards that ensure continuous quality improvement. It utilizes a nationally recognized model that has been evaluated using rigorous research designs. The project employs well-trained and competent staff and they have demonstrated a history of building linkages to other community-based services.

Healthy Families North Dakota has proven its merit when it comes to issues like reducing child abuse, increasing health outcomes and improving school readiness. These results pay off in reduced costs to the public through fewer foster care placements, remedial education placements and unnecessary medical procedures. Results require commitment. I urge you to invest in these results; invest in Healthy Families North Dakota. Thank you.

Attachment 8

Testimony
House Bill 1012 – Department of Human Services
Aging Services Budget
House Appropriations Committee
January 21, 2013

Chairman Pollert and members of the committee, my name is Pat Hansen. I am the executive director of South Central Adult Services, in Valley City and I am also a member of the North Dakota Senior Service Providers, a group of agencies that provide Older Americans Act Services to the senior population of this state.

Each of you should have received a booklet entitled "Feeding Grandma" in the past few weeks. The booklet provides in-depth information about senior nutrition programs and why it is important and cost effective to support these programs financially with additional funding. The funding formula was discussed last week during Aging Services Testimony. The main funding formula is a combination of Federal Older Americans Act funds and required State dollars and is based on census data such as population, low income, minorities, rural persons etc. For this formula, Service Providers have no input on how the dollars are divided between regions. What providers were asked about, and did provide, was a selection of an **additional** formula to divide up the dollars the State has provided as an Equalization Funds for Meals. The formula selected by the Providers was the one that did the least harm to the regions. Our goal in NDSSP has been, and will continue to be to try to increase and equalize the percent of meals that can be reimbursed so regions are on a more level playing field. The $800,000 increase for meals in the Governor's budget is wonderful and will take us from being reimbursed the basic unit rate for 82% of meals provided to 90%. That still leaves us $928,082 short statewide of being able to receive the basic unit rate reimbursement of $4.00 for all meals. If

there were adequate Federal and State funds for 100% of meals to be reimbursed, the funding could then be equitably distributed so all meals will be reimbursed the basic unit rate.

South Central Adult Services provides congregate and home delivered meals, outreach and transportation to Region VI which includes the counties of Barnes, LaMoure, Foster, Logan, McIntosh, Griggs, Stutsman, Dickey, Wells and Sheridan. South Central provided 172,466 congregate and home delivered meals, 8,379 billable and 3,782 non-billable units of outreach and 107,932 rides in 2012. **We provided 25,973 meals with no federal/state reimbursement.** At the $4.00 meal reimbursement rate for 2012 this is a shortfall of $103,892. This is true of projects across the State. Due to the new funding formula based on the 2010 census, we will receive even less funding in 2013. While we are still required to do home delivered and congregate meal assessments on all of our clients (we had 4,400 assessments in 2012) we are no longer receiving outreach funding and are expected to absorb this into the cost of the meals program. We are also dealing with the large increases in food costs. In order to maintain the current meal sites I have had to lay off 3 part-time employees and to use existing staff to fill vacant positions until we receive a determination on funding in this legislative session. If we do not receive additional funding we will be forced to close some of our rural sites. If this happens the State can expect much higher Medicaid expenses as many of these people will have to move from their communities into long term care facilities.

We really believe in what we do and are dedicated to helping to make North Dakota the best place possible to grow old in. We need your help to do that and ask

that you increase funding for meals in HB 1012 by the $928,082 needed to reimburse the $4.00 unit rate for all meals served statewide.

I have attached an additional copy of "Feeding Grandma" for each of you. If you have any questions, I would be happy to answer them. Thank you for your time in consideration of this testimony.

8

Provided by
North Dakota
Senior Service Providers
(NDSSP)

Feeding Grandma

> “I come to our local senior meal site every day. I know I will receive a hot, well-balanced meal which I can no longer prepare for myself. Going to the meal site gives me a reason to get up everyday and get dressed.”
>
> — Eileen, Rugby, N.D.

Table of Contents

If You Only Have Five Minutes	Page 1
The Aging of North Dakota	Page 2
The Elderly Nutrition Program	Page 3
North Dakota Senior Service Providers	Page 4
Statement of the Problem	Page 5
Fact Statement #1	Page 6
Fact Statement #2	Pages 7-8
Fact Statement #3	Page 9
Fact Statement #4	Pages 10-11
Conclusion	Page 12
References	Page 13
Facts: Elderly Nutrition Program	Pages 14-15
Call to Action	Page 16
State Funds Needed	Page 17

If you only have five minutes, read this . . . .

We are North Dakota Senior Service Providers (NDSSP) and one of the things we feel most passionate about is **Feeding Grandma** (and Grandpa too).

Feeding Grandma is our campaign to educate legislators about the Nutrition Programs we provide to older adults in the state of North Dakota and why it is important to support these programs.

Our Nutrition Programs are made up of two parts:

- **Senior Dining**: where older adults gather together for nutritious meals and fellowship (in government-speak we call this Congregate Meals)
- **Home-Delivered Meals**: meals delivered to homebound older adults (often referred to as Meals on Wheels)

Why **Feed Grandma**?

- Grandma wants to remain in her home as long as possible and our Nutrition Programs help her do that
- Feeding Grandma nutritious meals keeps her healthy
- Keeping Grandma healthy keeps her out of the hospital and the nursing home
- Keeping Grandma out of the hospital and nursing home saves our state a lot of money in reducing Medicaid costs
- Saving our state a lot of money saves us all in taxes and, of course, helps Grandma

It makes financial sense to Feed Grandma and it's the right thing to do. Currently in the state of North Dakota, those agencies which provide meals to Grandma and Grandpa do not get paid for all the meals they provide. This needs to change.

We need your support to fund a basic unit rate for ALL senior meals in the Department of Human Services budget.

This is the gist of it, my friend.

For the numbers that back up why it makes sense to **Feed Grandma**, read on.

The Aging of North Dakota

America and its communities, including the state of North Dakota, are aging and aging rapidly. The baby boomer generation, born between 1946 and 1964, is reaching retirement age. One third of the total population of North Dakota is part of the baby boomer generation (Rathge, 2007). Such a demographic shift will increase the number of people over the age of 60. As people live longer, the number of people over the age of 85 is also increasing. North Dakota is already seeing significant increases in the oldest-old population. From 2000 to 2010, the number of people over the age of 85 grew 13.3%; however, the number of North Dakotans age 90 and over grew 23.4%. This information is important because people over the age of 85 are the most likely to need the support of family, friends, and the community to remain living independently (National Association of Area Agencies on Aging & MetLife Foundation, 2007).

The Aging of North Dakota

Age Group	2000 Census	2010 Census	Difference	% Change
60 and older	118,985	133,350	14,365	12.1%
85 and older	14,726	16,688	1,962	13.3%
90 and older	5,271	6,505	1,234	23.4%

Information provided by State Data Center, NDSU, May 2012.

> “I am now a widow and am going to be 82 in two months. When I go there (the Senior Center meal site), I know I’ll get a good nutritional meal. Just as important, I get to eat with other people and visit.”
>
> — Gerry, Ellendale, N.D.

The Elderly Nutrition Program

What is it?
What's its purpose?
Who does it serve?

The **Elderly Nutrition Program (ENP)** was enacted in 1965 via the Older Americans Act (OAA) Title III and funding flows to the state from the Administration on Aging (AoA) (see Administration on Aging Elderly Nutrition Program fact sheets on pages 14-15).

The purpose of the Elderly Nutrition Program is to:

- Reduce hunger and food insecurity
- Promote socialization of older individuals
- Promote the health and well-being of older individuals and delay adverse health conditions through access to nutrition and other disease prevention and health promotion services

The Elderly Nutrition Program consists of two primary components:

- **Congregate Nutrition Services** (providing nutritious meals for seniors in a social, group setting)
- **Home-Delivered Nutrition Services** (providing meals for homebound seniors)

The nutrition programs are required to give priority for services to the following older adults:

- Those residing in rural areas
- Those with greatest economic need
- Those with greatest social need
- Those with severe disabilities
- Those with limited English proficiency
- Those with Alzheimer's disease and related disorders with neurological and organic brain dysfunction and the caregivers of such individuals
- Those at risk for institutional placement

North Dakota
Senior Service Providers

Who are we?
Who do we serve?

North Dakota Senior Service Providers (NDSSP) is comprised of agencies which provide services to older adults across the entire state of North Dakota. Here is a list of the member agencies of NDSSP which provide both congregate and home-delivered meals at the local level.

Region 1
- Williston Council for the Aging

Region 2
- Minot Commission of Aging
- Kenmare Wheels & Meals, Inc.
- Tri County Senior Meals & Services, Rugby

Region 3
- Senior Meals and Services, Inc., Devils Lake
- Cavalier County Senior Meals & Services
- Nutrition United Inc. /RCSMS, Rolla

Region 4
- Greater Grand Forks Senior Citizens Assoc., Inc.
- Pembina County Meals & Transportation
- Walsh County Nutrition Program

Region 5
- Valley Senior Services, Fargo

Region 6
- Dickey County Senior Citizens
- James River Senior Citizens
- South Central Adult Services, Valley City

Region 7
- Mandan Golden Age Services
- Burleigh County Senior Adults Program
- Kidder Emmons Senior Services
- Mercer McLean Counties Commission on Aging

Region 8
- Elder Care, Dickinson

Statement of the Problem

Currently there are **183 meal sites** in North Dakota serving **13,994 congregate clients** and **5,030 home-delivered meal clients** (Hague, 2012). In federal fiscal year 2011, **686,631 congregate meals** and **480,547 home-delivered meals** were provided across the state by NDSSP agencies (Hague, 2012).

North Dakota Senior Service Providers (NDSSP) receive basic unit rate **funding for only 82% of the meals we provide**. We **need to be reimbursed for ALL of the meals** we provide just as many other agencies and nursing homes are reimbursed for all of their services.

The following research will show that providing meals to seniors keeps them healthier and helps them to remain in their home setting and out of costly nursing homes, thus **saving the state Medicaid dollars in the long run**. It will also show funding has not kept up with meal costs, thus putting these programs in jeopardy of cuts, waiting lists, or elimination.

"Meals on Wheels helped my mom live independently in her home until she was 99 1/2 years old. What a wonderful service!"

— Jim, Fargo, N.D.

FACT STATEMENT #1

Congregate & home-delivered meals are cost effective

> “The cost of one day in the hospital is equal to one year of Home Delivered Meals.”
>
> (Wunderlich, Bai, & Piemonte, 2010)

Many of the chronic health conditions which result in frailty and disability, loss of independence, and reduced quality of life in older adults are preventable at a low cost through lifestyle interventions incorporating proper nutrition and physical activity (Wunderlich et al, 2010). Clearly preventive services, such as those provided by NDSSP, are crucial for saving valuable health and long-term care dollars. **The more successful we are at providing nutritious food to older adults in their homes, where they prefer to be, the less money we will spend overall** (U.S. Committee on Health, Education, Labor and Pensions: Subcommittee on Primary Health and Aging, 2011).

The congregate meal program has been found effective in improving physical health, emotional health, and the quality of life of the older adult population (Wunderlich et al, 2010). An analysis by AoA confirms that OAA Title III services play an important role in helping elderly adults remain living independently in the community (Altshuler & Schimmel, 2010). In fact, **ninety-one percent of home-delivered meal clients report that meals allow them to remain in their homes** (Pilot Study, 2004). Agency surveys across the state also support this high percentage (GF Senior Center, 2011). Inversely, the lack of good food assistance and nutrition programs may lead to increased disability and the use of additional expensive services (U.S. Committee on Health, Education, Labor and Pensions: Subcommittee on Primary Health and Aging, 2011).

> “I definitely feel the Meals on Wheels program helped keep my parents in their home an additional 2 to 3 years before they entered a nursing home.”
>
> — Larry, Minot, N.D.

FACT STATEMENT #2

Good nutrition is important for successful aging

Food security is the knowledge that food is available to you. On the other hand, food insecurity is the very real threat of hunger. Food insecurity is associated with a host of poor health outcomes; while food security and good nutrition are key factors in successful aging. Together they help reduce disease-related disability, promote health and active engagement with life, and support increased mental and physical functioning (State Units on Aging, (SUA), 2006). Research shows consuming a healthy diet and being physically active are more important than genetic factors in avoiding the declines associated with aging (SUA, 2006). The role of nutrition in maintaining the health of older adults involves both the prevention of malnutrition and the management of common chronic disease conditions.

North Dakota has the lowest rate of senior hunger in the nation at 5.52% (Ziliak & Gundersen, 2012). Our state has done a good job of offering over 180 meal sites across the state. However, this does not mean that senior hunger doesn't exist. **Out of those North Dakota seniors who face the threat of real hunger, the majority have incomes <u>above</u> the poverty line. These seniors are younger and they are white** (Ziliak & Gundersen, 2012). The challenges of our current economy, physical or mental disabilities, and a changing economic climate in the western part of the state are just some of the factors which place older adults at risk for hunger. For hundreds of older North Dakotans, the meals provided by the Elderly Nutrition Program may be their primary source of food (Ziliak & Gundersen, 2012).

Nutritional status is closely associated with an older person's ability to function and remain independent. The goal of improving nutritional status through adequate dietary intake is to prevent the occurrence of malnutrition which occurs in both underweight and obese individuals (Institute of Medicine, 2000). Malnourished older adults have limited muscle strength, more exhaustion and reduced physical activity, placing them at risk for falls and hip fractures (Sharkey, 2004). Unaddressed, malnutrition and the fractures it causes result in nursing home placement in many cases (Institute of Medicine, 2000).

Nutrition keeps older adults healthier by reducing the risk of chronic diseases and related disabilities. Nutrition is central to chronic disease treatment and management. All top nine chronic health conditions in older adults (heart disease, hypertension, stroke, emphysema, asthma, chronic bronchitis, cancer, diabetes, and arthritis) have dietary and nutritional implications. Obesity is a risk factor for many of these chronic conditions. Obese older adults are more likely to become disabled and

report difficulties with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs) which impact their functional independence (Reynolds, Saito & Crimmins, 2005).

Informal, unpaid family caregivers are another group of people affected by malnutrition. These caregivers provide a critical function in our state: they provide the majority of care for underserved populations, including those seniors residing in rural settings, those seniors suffering from dementia, and those seniors receiving hospice care. **The caregiver must be concerned with his or her own nutritional status as well**, but so often the stress of caregiving may place him/her at malnutrition risk through skipped meals or unhealthy meals and inattention to the management of one's own chronic diseases or conditions. **The ability for the caregiver and care recipient to receive nutritious meals delivered to the home relieves one burden from the caregiver**.

Because NDSSP is part of the OAA Title III Elderly Nutrition Program (ENP), we comply with the latest edition of the *Dietary Guidelines for Americans* and the *Dietary Reference Intakes.* These menu requirements recognize the specific nutrient requirements of an aging population. ENP meal programs target older high-risk populations such as low income, rural, and minority populations. Because of this, these clients have significantly better nutrient intakes than those not receiving services (Institute of Medicine, 2000). The ability to provide meals tailored to older adults helps prevent nutritional deficiency, reduces the risk of chronic diseases, and improves health over the long term (SUA, 2006).

> "If I didn't eat here, I'd just cook wieners for lunch. I would not cook for just myself. I like the diversity of lunch mates. I tell people you can't go to the store and get a piece of meat for what the meal costs here."
>
> — Sharon, Bismarck, N.D.

FACT STATEMENT #3

Money is saved by the state because NDSSP clients, many whom are candidates for expensive nursing home placement, are receiving community-based nutrition services which allow them to remain at home.

Altshuler and Schimmel (2010) identified the following factors as leading to increased risk of nursing home entry:

- *Demographic characteristics:* Older individuals and those who are non-Hispanic white
- *Socioeconomic characteristics:* Individuals with low incomes
- *Health status and physical functioning:* Those with certain health conditions (such as cognitive impairment, cancer, high blood pressure, diabetes, and a history of strokes and falls) and those who have difficulty performing Activities of Daily Living (ADLs)
- *Prior healthcare utilization:* Individuals who have spent time in the hospital or in a nursing home
- *Living arrangements and family structure:* Those who live alone (including widowed and divorced individuals), do not own their own home, and have fewer children
- *Availability of support:* Individuals who lack caregiver support

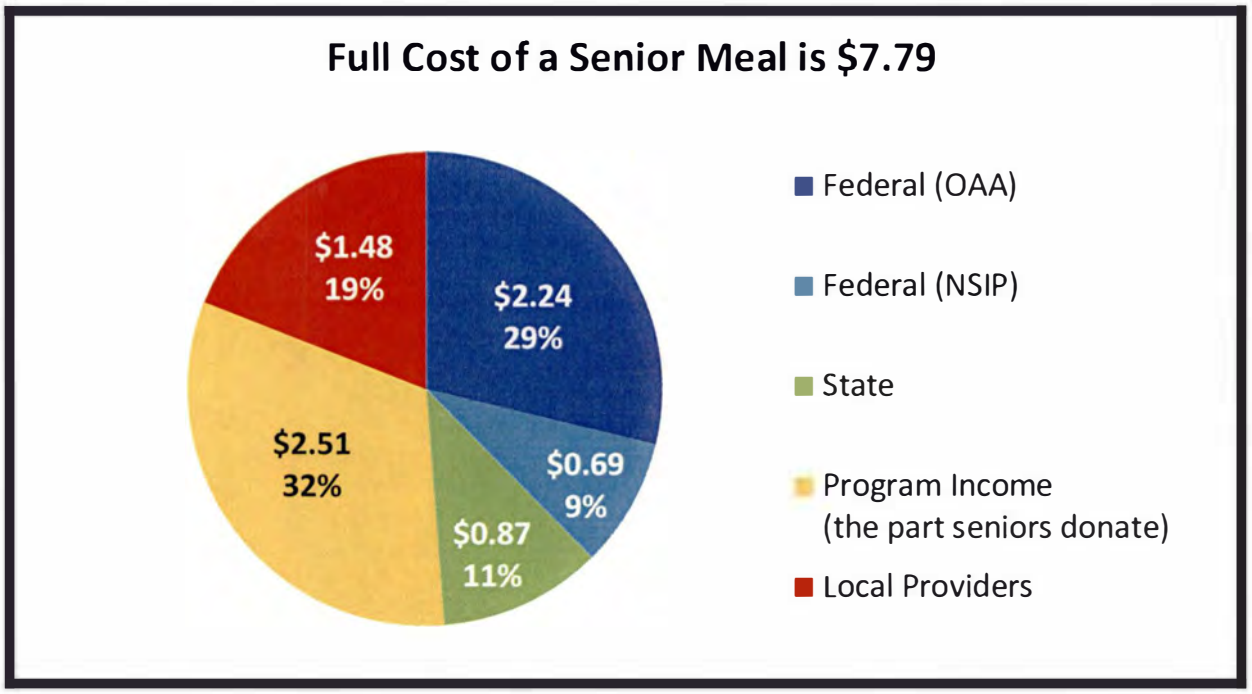
Title III participants share many of the characteristics that make older adults more vulnerable to nursing home admission. They are older than their peers; more likely to live in poverty, live alone, and not be married; have no local caregiver; and have multiple health conditions (Barrett & Schimmel, 2010). In federal fiscal year 2011, 345 of the 5,030 home-delivered meal clients in North Dakota scored as nursing home eligible AND Medicaid eligible (Hague, 2012). The average cost of a year of North Dakota nursing home care is $71,000 (ND Insurance Dept., 2012). Consider the tremendous savings by keeping these seniors at home where they want to be.

The Medicaid cost to the state for nursing home care for these 345 people would have been $24.5 million in 2011.

FACT STATEMENT #4

Funding for meals is lagging behind ever-increasing costs and the long-term aging of the population

The average full cost to provide a senior meal was $7.79 in 2011 (Hague, 2012). Below is a chart identifying where the money came from in 2011 for these senior meals.



The average cost of a senior meal has increased 29% in the past five years. While the state has added additional funding in the 2009 & 2011 state legislative sessions, it has not been enough to keep up with inflation.

In federal fiscal year 2011, 686,631 congregate meals and 480,547 home-delivered meals were provided across the state. Of these meals, **over 80,000 meals received no federal or state funding**. **In 2012, that number will jump to 215,000 meals** due to a change in the state unit rate. Why is this important? With a significant increase in the aging population, **local agencies are finding they cannot keep up with increasing costs without assistance**.

We look to the state as a natural partner in helping us to meet this need due to the savings the state will realize in Medicaid spending.

Without sufficient funding to provide a basic unit rate for ALL of the meals we serve, agencies will have to set limits on the number of meals we can provide, implement waiting lists, or even close some meal sites. All of this will affect the ability of the senior population to age at home. As our senior population continues to grow, we need to work collaboratively in a proactive way so essential services will not be cut. This will help seniors remain in their homes and out of costly nursing homes as long as possible.

"We wanted Mom to be able to have something she could just pop in the microwave and eat. We were worried she was forgetting to eat or she would just eat cereal."

— Kathleen, Grand Forks, N.D.

Kathleen's mom, Rose from Larimore, received frozen meals as part of the home-delivered meals program for people in rural areas

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Conclusion

For over forty years, the AoA Older Americans Act Title III Elderly Nutrition Programs have provided North Dakota older adults with the nutrition resources they need to remain where they want to be — healthy and in their own homes. The state has always been fiscally conservative. An increase in the state funds needed to support a basic unit rate for all meals served in the congregate and home-delivered meal program is a fiscally conservative step to take.

Please do not underestimate the value and cost-effectiveness of a relatively small investment into the state nutrition programs that prevent or mitigate extremely costly expenditures in Medicaid.

Providing adequate food to older adults is a vital service which will ensure our parents and grandparents can remain independent for as long as possible. Furthermore, at a time when rising costs are a growing concern,

funding nutrition programs is a commonsense state investment that will reduce the burden on the Medicaid program.

These vital nutrition programs have been extraordinarily successful in specifically targeting the needs of a diverse range of urban and rural communities across the state both in home-delivered and congregate meal settings. They remain the most cost-effective way to support a dignified, healthy retirement for thousands of our state's senior citizens. Please do all you can to support **Feeding Grandma.**

See page 17 for the "Older Americans Act Nutrition Services Increases in State Funds Needed for the 2013-15 Biennium." *This worksheet shows the necessary additional state funding needed to provide a basic unit rate for all meals served in the congregate and home-delivered meal programs.*

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Elderly Nutrition Program

FACTS

These two pages were taken directly from the Administration on Aging website (www.aoa.gov)

Elderly Nutrition Program

INTRODUCTION

With the aging of the U.S. population, increased attention is being given to delivering health and related services to older persons in the community. Since adequate nutrition is critical to health, functioning, and the quality of life, it is an important component of home and community-based services for older people.

ELDERLY NUTRITION PROGRAM

The Administration on Aging's (AoA) Elderly Nutrition Program provides grants to support nutrition services to older people throughout the country. The Elderly Nutrition Program, authorized under Title III, Grants for State and Community Programs on Aging, and Title VI, Grants for Native Americans, under the Older Americans Act, is intended to improve the dietary intakes of participants and to offer participants opportunities to form new friendships and to create informal support networks. The legislative intent is to make community-based services available to older adults who may be at risk of losing their independence.

The Elderly Nutrition Program provides for congregate and home-delivered meals. These meals and other nutrition services are provided in a variety of group settings, such as senior centers, faith-based settings, schools, as well as in the homes of homebound older adults. Meals served under the program must provide at least one-third of the recommended dietary allowances established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, as well as the Dietary Guidelines for Americans, issued by the Secretaries of Departments of Health and Human Services and Agriculture. In practice, the Elderly Nutrition Program's 3 million elderly participants are receiving an estimated 40 to 50 percent of required nutrients from meals provided by the Program.

The Elderly Nutrition Program also provides a range of related services through the aging network's estimated 4,000 nutrition service providers. Programs such as nutrition screening, assessment, education and counseling are available to help older participants meet their health and nutrition needs. These also include special health assessments for such diseases as hypertension and diabetes.

Through additional services, older participants learn to shop, plan, and prepare nutritious meals that are economical and enhance their health and well-being. The congregate meal programs provide older people with positive social contacts with other seniors at the group meal sites.

Volunteers and paid staff who deliver meals to homebound older persons often spend some time with the elderly, helping to decrease their feelings of isolation. These volunteers and paid staff also to check on the welfare of the homebound elderly and are encouraged to report any health or other problems that they may note during their visits.

AoA
Administration on Aging

Elderly Nutrition Program

FACTS

In addition to providing nutrition and nutrition-related services, the Elderly Nutrition Program provides an important link to other needed supportive in-home and community-based services such as homemaker-home health aide services, transportation, physical activity programs, and even home repair and home modification programs.

ELIGIBILITY

Under Title III, Grants to State and Community Programs on Aging, a person must be 60 years of age to be eligible. While there is no means test for participation in the Elderly Nutrition Program, services are targeted to older people with the greatest economic or social need, with special attention given to low-income minorities and rural older people.

In addition to focusing on low-income and other older persons at risk of losing their independence, the following individuals may receive service including:

- A spouse of any age;
- Disabled persons under age 60 who reside in housing facilities occupied primarily by the elderly where congregate meals are served;
- Disabled persons who reside at home and accompany older persons to meals; and
- Nutrition service volunteers.

Since American Indians, Alaskan Natives, and Native Hawaiians tend to have lower life expectancies and higher rates of illness at younger ages, Tribal Organizations, funded under Title VI, Grants for Native Americans, are given the option of setting the age at which older people can participate in the program.

In 2003, the Administration on Aging funded *Pilot Study: First National Survey of Older Americans Act Title III Service Recipients* which showed that services provided by the Departments of Health and Human Services and Agriculture. In practice, the Elderly Nutrition Program's 3 million elderly participants are receiving an estimated 40 to 50 percent of required nutrients from meals provided by the.

NATIONAL AGING SERVICES NETWORK ARE:

- Highly rated by recipients;
- Effectively targeted to vulnerable populations;
- And provide assistance to individuals and caregivers, which is instrumental in allowing older persons to maintain their independence and avoid premature nursing home placement.

THIS STUDY ALSO FOUND THAT HOME-DELIVERED NUTRITION SERVICES ARE:

- Effectively targeted to vulnerable populations, the majority of whom either lived alone, or were poor or near poor, were over 75 years old and/or had difficulty with activities of daily living (ADLs) – such as eating, dressing or walking;
- Successfully targeted to the socially isolated, about one-half reported that they would like to do more with respect to their social activities. This rate is more than twice the rate for the general older population;
- And high quality and reliable in the perception of the service recipient

MEALS ARE PROVIDED TO INDIVIDUALS WHO NEED THEM MOST:

- 73% were at high nutritional risk; 25% were at moderate risk.
- 62% received one half or more of their daily food intake from their home delivered meal.
- 25% reported they did not always have enough money or food stamps to buy food.

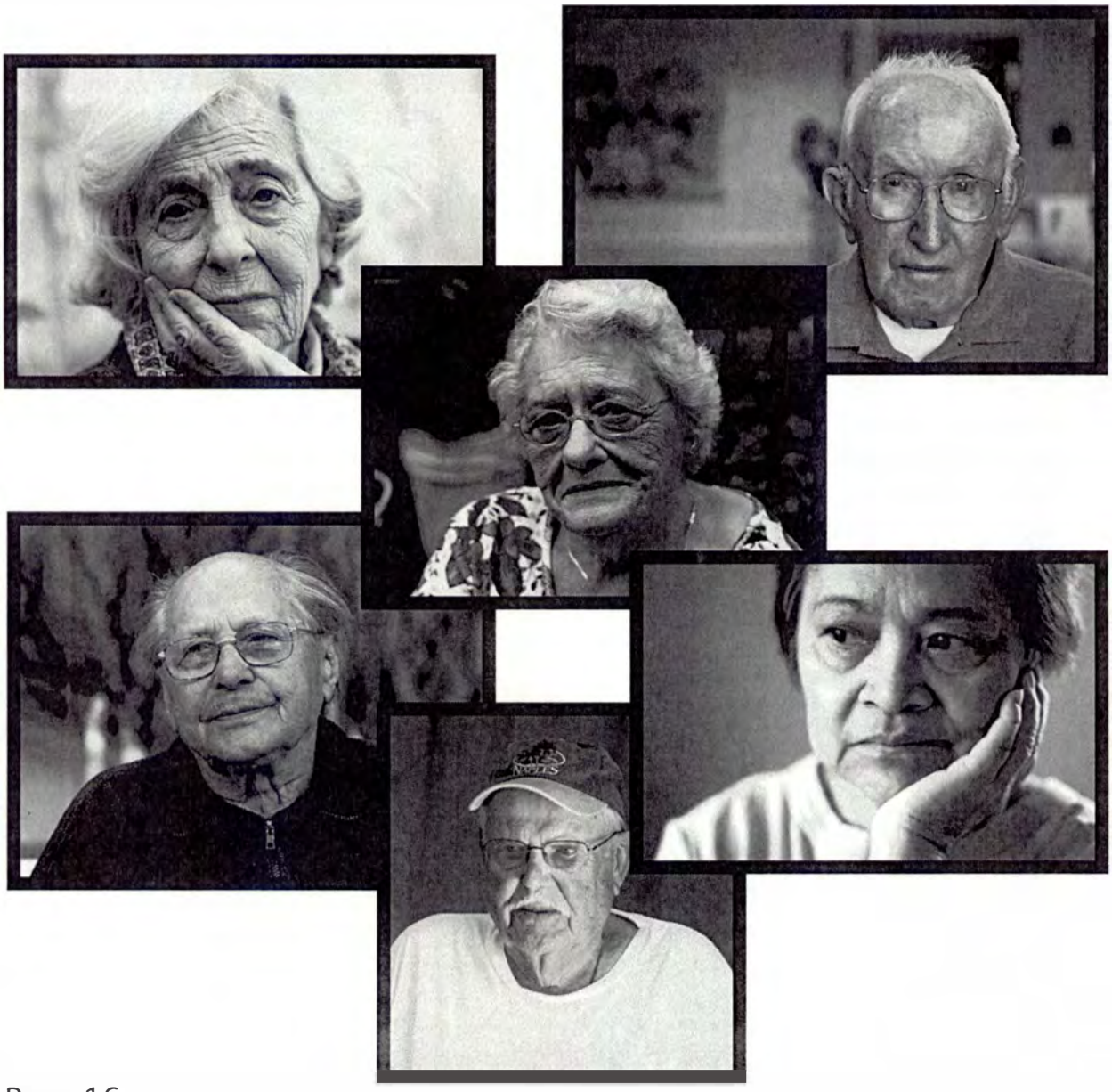
FOR MORE INFORMATION ABOUT AOA
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, ADMINISTRATION ON AGING, WASHINGTON DC 20201
PHONE: 202.619.0724 | FAX: 202.357.3555 | EMAIL: AOAINFO@AOA.GOV | WEB: HTTP://WWW.AOA.GOV
FACEBOOK: HTTP://WWW.FACEBOOK.COM/AOA.GOV

Administration on Aging

Call to Action

If you only have five minutes, take action to **reduce Medicaid spending** and to **support a basic unit rate for ALL meals served** in the congregate and home-delivered meal programs.

Thank you!



State Funds Needed for the 2013-15 Biennium

OLDER AMERICANS ACT NUTRITION SERVICES **July 2012**

INCREASES IN STATE FUNDS NEEDED FOR THE 2013-15 BIENNIUM

Statement of Purpose: Title III Older Americans Act Service Providers need to be paid the base unit rate of $4.00 for ALL eligible meals that are provided statewide. The current amount of Federal-State money is not sufficient to pay for all meals. Note: The meal rate set by the state only covers part of the total cost of the meals, local match is required for each meal provided. Voluntary contributions from clients and additional local funds cover the rest of the cost of each meal provided.

Figures used in this document come from the most recent Aging Services State Program Report dated October 1, 2010 - September 30, 2011(page 22).

1. Federal and State Funds Needed to Pay for All Meals

SERVICE	NUMBER OF MEALS PROVIDED October 2010 - Sept 2011	UNIT RATE PER MEAL AS SET BY THE STATE	TOTAL FED - STATE FUNDS NEEDED
Congregate Meals	686,631	$4.00	$2,746,524
Home Delivered Meals	480,547	$4.00	$1,922,188
Federal/State Funds Needed to Pay a Unit Rate for All Meals			**$4,668,712**

2. Federal and State Money Available For the Same Period

Congregate Meals	Federal Money	$1,705,089
Home Delivered Meals	Federal Money	$912,248
State Funds to Providers-Current (1/2 of $1,174,668)	State Money	$587,334
State Funds for Meals (1/2 of $1,200,000)	State Money	$600,000
Total Federal and State Meal Funds Expected for One Year		**$3,804,671**

3. Shortfall in State Funds Needed to Pay for all Meals - 1 yr	**($864,041)**
4. Shortfall in State Funds Needed to Pay for Meals - Biennium	**($1,728,082)**
5. Current Line Item for State Funding for Meals (2011-13 Budget)	**$1,200,000**
6. Shortfall in State Funds Needed to Pay for Meals -Biennium	**$1,728,082**
7. TOTAL LINE ITEM NEEDED FOR STATE FUNDS FOR MEALS	**$2,928,082**

Document from North Dakota Senior Service Providers, July 2012

North Dakota Senior Service Providers *c/o Ken Tupa, APT*
PO Box 2264, Bismarck, ND 58502-2264
Phone 701-224-1815 Extension 2 *Cell 701-319-6666*
e-mail: ktupa@aptnd.com

> “I don’t have a car and it makes it hard to get to the grocery store often. Senior meals provide me with a well-balanced meal 5 days a week. They deliver the meal to my door which is convenient. The meals help me stay in my home and help me by doing the cooking for me. I’m a bachelor and never learned how to cook a well-balanced meal.”
>
> — Larry, Towner, N.D.

> “For many years I had health problems where I could not eat certain things. I had to watch what I ate. Eating good is important to me. I grew up that way. My family ate plain, nutritious food.”
>
> — Violet, Bismarck, N.D.

Written by Colette Iseminger, MS, RD, LRD
Grand Forks Senior Center
PH: 701-772-7245; director.gfscc@midconetwork.com
North Dakota Senior Service Providers (NDSSP)
July 2012

Attachment 9

HB1012- AGING SERVICES COMMENTS
Monday January 21, 2013
House Appropriations- Human Resources Section Committee

Josh Askvig- AARP-ND
jaskvig@aarp.org or 701-989-0129

Chairman Pollert, members of the House Appropriations Human Resources Section Committee, I am Josh Askvig, Associate State Director of Advocacy for AARP North Dakota. We stand in support of various items in the Aging Services Budget request contained in HB1012.

GUARDIANSHIP

As you know, the Aging Services Budget includes the Governor's request for $1 million for adult guardianship provision. As you also know, during the Interim the Human Services Committee conducted a study on guardianship in ND. That study resulted in HBs 1040 and 1041. In short, AARP supports both HB1040 and HB1041. The bill addresses the funding required for guardianship service providers and Private Guardianship Agencies that provide guardianship services for low-income people of all ages, including the elderly.

With people living longer and increased age often accompanied by diminished decision making ability, all people should engage in advance planning in the event one becomes incapable of managing his or her personal decisions or property.

There are several alternatives for authorizing another person or corporate entity to act on one's behalf. One option is guardianship, in which a court oversees the transfer of authority for property or personal decision making, or both, when an individual is deemed incapable of managing his or her own affairs.

As our population grows older and people live longer, courts have found it more difficult to find family members or friends able or willing to serve in a guardianship capacity for a loved one, so the need for adult guardianship has increased over the years.

AARP believes states should adequately fund public guardianship programs to provide free or nominal-cost services for adults with limited resources who lack qualified relatives or others to serve as a guardian. The increased funding will enhance the state's current guardianship program.

ELDERLY NUTRITION PROGRAMS FUNDING

As you also know, the Governor included $800,000 in his budget to enhance elderly nutrition services like congregate meals, home delivered meals, nutrition education and nutrition counseling. AARP strongly supports efforts to eliminate senior hunger and isolation. That is why the AARP Foundation has partnered with Jeff Gordon in the Drive to End Hunger program, which works to fight to fight older adult hunger (drivetoendhunger.org).

The enhanced funding for meals and nutrition programs, along with efforts like the Drive to End Hunger are an important aspect to fight against senior malnutrition and hunger. This

increased funding is a step towards ensuring that counties are able to meet the needs of its citizens.

Additionally, as Jan Engan, director of the ND DHS Aging Services Division said in her brief overview to you on these programs- these nutrition programs are a vital part of home and community based services (HCBS). We know from a 2011 survey of 50+ North Dakotans, that one of the top concerns of aging citizens is how they will remain in their homes safely as they age. Providing programs like home delivered or congregate meals is an important component of HCBS services.

We strongly support this funding and urge to you maintain it in this bill.

Thank you for the opportunity to present our views on the items contained in the Aging Services Division budget.

The New York Times
The New Old Age
Caring and Coping

JANUARY 15, 2013, 5:57 AM

Study: More to Meal Delivery Than Food

By PAULA SPAN

What's a simpler idea than Meals on Wheels? Older, lower-income people who have trouble driving, cooking or shopping -- or paying for food -- sign up with a local agency. Each day, volunteers or paid staff come by and drop off a hot lunch. Federal and state dollars and local charities foot the bill.

At the Mobile Meals of Essex headquarters in my town in New Jersey on a recent morning, staffers were stuffing slices of whole wheat bread, pints of low-fat milk and containers of sliced peaches into paper bags. Next, they would ladle the day's entree -- West Indian curried chicken with brown rice and broccoli -- onto aluminum trays.

Drivers in vans would fan out through the county, from downtown Newark through the sprawling suburbs, delivering the meals to 475 clients.

The benefit goes beyond food, of course. When his clients answer the door, often using walkers and canes, "I ask them how their morning's going," said a driver, Louis Belfiore, who would make 31 stops this day. "I give them their meal, I say, 'Have a good day.' They tell me, 'You have a nice day, too.'"

This may represent the only face-to-face social interaction some homebound people have in the course of a day. And if they don't come to the door, a series of phone calls ensues. "We've had people yell back, 'I'm on the floor and I can't get up.' It doesn't happen only in commercials," said Gail Gonnelli, the program's operations director.

Meals on Wheels advocates have always believed that something this fundamental - a hot meal, a greeting, another set of eyes - can help keep people in their homes longer.

But they didn't have much evidence to point to, until a couple of Brown University health researchers crunched numbers -- from Medicare, states and counties, the federal Administration on Aging and more than 16,000 nursing homes -- from 2000 to 2009, publishing their findings in the journal Health Services Research.

The connection they discovered between home-delivered meals and the nursing home population will come as welcome news (though not really news) to Meals on Wheels believers: States that spent more than the average to deliver meals showed greater reductions in the proportion of nursing home residents who didn't need to be there.

The researchers call these people "low-care" residents. Most people living in nursing homes require around-the-clock skilled care, and policymakers have been pushing to find other ways to care for those who don't. Still, in 2010 about 12 percent of long-term nursing home patients -- a proportion that varies considerably by state -- didn't need this level of care.

"They're not fully dependent," explained a co-author of the study, Vincent Mor. "They could be cared for in a community setting, whether that's assisted living or with a few hours of home care."

That's how most older people prefer to live, which is reason enough to try to reserve nursing homes for those who can't survive any other way. But political budget cutters should love Meals on Wheels, too. For every additional $25 a state spends on home-delivered meals each year per person over 65, the low-care nursing home population decreases by a percentage point, the researchers calculated -- a great return on investment.

"We spend a lot on crazy medical interventions that don't have as much effect as a $5 meal," Dr. Mor concluded. With this data, "we're able to see this relationship for the first time."

(Co-author Kali Thomas -- herself a volunteer Meals on Wheels driver in Providence, R.I. -- has compiled a state by state list, posted on the Brown University LTCfocus.org Web site, showing how much states could save on Medicaid by delivering more meals.)

Sadly, though, appropriations for home-delivered meals are not increasing. The program served more than 868,000 people in 2010, the latest numbers available. But federal financing through the Older Americans Act has been flat for most of the decade, while food and gas costs -- and the number of older people -- have risen.

Given current budget pressures, advocates hope they can just hold the line (the "sequester" cuts to the federal budget are still looming unless Congress and the White House can reach agreement on the debt limit and a spending plan). Already, "we've seen millions and millions fewer meals," said Tim Gearan, senior legislative representative at AARP. "Cuts from five-day service to three-day service. A lot more frozen food, which can be inappropriate for people who can't operate ovens and microwaves. It's been hard to watch."

My urban/suburban county, Ms. Gonnelli said, maintains a waiting list: There are always about 65 seniors who qualify for Meals on Wheels, but there is no money to provide the food.

It can be a big step for an older person or his family to acknowledge that they need this kind of basic help and apply. It must be difficult, I said to Ms. Gonnelli, who has run the program for 15 years, to tell applicants she can't help feed them.

"You have no idea," she said.

Paula Span is the author of "When the Time Comes: Families With Aging Parents Share Their Struggles and Solutions."

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Testimony
House Bill 1012- Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 21, 2012

Attachment 10

North Dakota Centers for Independent Living

Chairman Pollert and members of the House Human Resources Division:

My colleagues and I are here today to talk to you about the Independent Living program in the state of North Dakota. The information included in this packet is a continuation of our efforts to create a statewide network of services. While the increases historically received are appreciated, there remain many areas of the state that are underserved or unserved. If the funding request were realized it would mean that all areas of the state would have a Center for Independent Living (CIL) presence.

The Independent Living program in North Dakota has been in existence for nearly 35 years, offering the citizens of the State a local resource point from which to identify the many services available to them so that they can become productive members of society and learn the skills needed to move forward from a life of dependency. During the last 35 years gradual progress has been made in creating a system whereby every person with a disability has access to CIL services however, statewide presence is still far from a reality.

The Statewide Independent Living Council has determined that in order to have sufficient staff presence, each CIL would need about $650,000 per year, or $5.444 million per biennium. For that to be realized, we would need an additional $1.98 million per biennium. With this amount of funding, staff and offices would be added in various communities, creating a physical presence across the State.

Your assistance would be greatly appreciated. We feel strongly that this is a good investment for our state, as about 70,000 people 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 give any of us a call.

Sincerely,

Royce Schultze	Scott Burlingame	Nate Aalgaard	Randy Sorensen
Dakota CIL	Independence, Inc.	Freedom RCIL	Options RCIL
701-222-3636	701-839-4724	701-478-0459	218-773-6100

SUMMARY OF FUNDING REQUEST
NORTH DAKOTA CENTERS FOR INDEPENDENT LIVING

The Center for Independent Living (CIL) directors estimate that in order to have a presence and availability of core services in every county of the state, they would need $5.444 million per biennium each. Each of four Centers for Independent Living is designated to serve a quadrant of the state (see Center Service Area, page 6).

Current biennial budget, including state and federal funds: $ 3,454,202
Estimated total amount needed for statewide availability: $5.444 million
Additional funds needed to provide services statewide: $1,989,798 per biennium
Governor's budget proposal: Additional $800,000 per biennium
Current general fund appropriation: $948,985

Services:
All Centers for Independent Living are required to provide four core services, which are: **Independent Living Skills Training, Individual and Systems Advocacy, Peer Counseling**, and **Information and Referral**. They also provide many others, such as nursing home relocation and prevention, community education, assistive technology, and recreation.

With current funding Centers are able to provide the four core services in 19 counties; 12 counties are designated as underserved, meaning only partial services are available; and 22 counties are unserved, meaning services are only available by phone. (See map on page 5)

Priorities for additional funding
Dakota Center for Independent Living
1. Competitive wages for existing staff in Dickinson
2. Fill vacant position in Dickinson
3. Hire additional staff to serve unserved/underserved areas.

Independence Inc.
1. Increase wages to address pressures to be competitive in hiring and staff retention.
2. Money for a .5 FTE to fully fund Youth Transition Program
3. Hire 2 FTE's to provide services in rural areas; one on the eastern part of service area (most likely Rugby) and one on the western part

Freedom Resource Center
1. Hire staff to provide services in the southwestern part of quadrant (Logan, LaMoure, McIntosh, Dickey, and Sargent counties)
2. Continuation funding for half time advocate position in Fargo.
3. Additional staff person in Fargo, Jamestown and Wahpeton.

Options RCIL
1. Open outreach office in Carrington
2. One additional staff in Devils Lake and two additional staff stationed out of the Grand Cities.
3. Remaining funds would be used to increase the pay of staff in order to stay competitive and to give cost of living raises for staff who have not received raises in three to four years.

How is independent living unique among disability organizations?

- Centers for Independent Living offer four core services that are intended to assist people with disabilities to have more control over their own lives. These services are available to any person with any type of disability regardless of any age, geographic location, or economic status.

- Centers for Independent Living work within communities to help them become more accessible and user-friendly for all people with disabilities. 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 in which they choose to live.

- North Dakota Centers for Independent living are consumer-driven community organizations. A majority of our staff, board and management staff are people with disabilities from the areas we serve, who use their personal experience as a basis for the services that are provided based on the needs of the area as reported by the people.

- CIL's make use of volunteers with disabilities to provide peer support to other people with disabilities, but also to use their personal experiences as a basis for our organizational and advocacy direction. This personal experience with disability sets CIL's apart from other traditional service providers.

- Centers for independent living promote self-determination and empowerment for people with disabilities through direct one-to-one and group services including skills training, individual advocacy, information and referral, and peer support. Independent Living has the concept of consumer control, whereby people with disabilities coming to them for services have the final say in what it is they want to accomplish. Consumers are responsible for their own actions.

<u>Rationale for funding request</u>

- The Independent Living program is part of the state/federal rehabilitation system. It is authorized by both state and federal law. The full array of services is not, however, available to every citizen of the state who would be eligible due to lack of resources. As a service-based industry, more staff is needed in order to reach unserved and underserved areas of the state.

- The Statewide Independent Living Council (SILC), appointed by the Governor, has developed a plan for a statewide network of Centers for Independent Living. In order to be realized, this plan needs the influx of additional revenue.

- 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.

Fiscal Year 2012 funding levels for North Dakota Centers for Independent Living

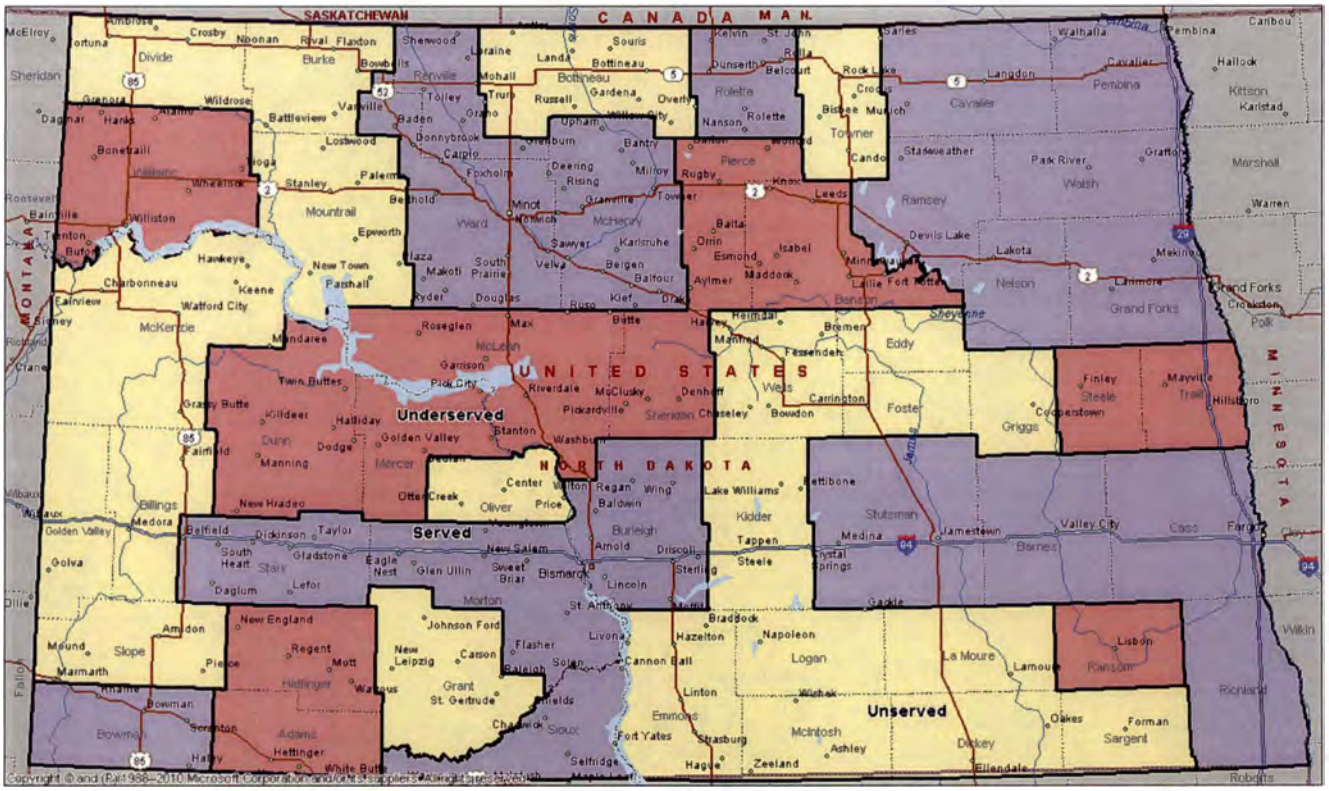
	U.S. Dept. of Education direct funding. (Federal fiscal year)	*ND Dept of Human Services I.L. Awards (half of biennial appropriation)	Total (per year)
Dakota Center for Independent Living, Bismarck	$408,527	$79,661	$488,188
Independence Inc., Minot	$127,276	$283,716	$410,992
Freedom Resource Center, Fargo	$190,349	$226,091	$416,440
Options Resource Center, Grand Forks	$132,918	$278,563	$411,481
Total IL funds			$1,727,101 per year ($3,454,202 Per biennium)

*This column includes State Funds, Federal Pass Through Funds and Social Security Reimbursement Funds. Social Security Reimbursement Funds were distributed to Centers to replace state funds cut, at the time the only unmatched state funds received were those earmarked for the Independent Living Program. It is the wish of Vocational Rehabilitation that these funds totaling $ 244,000.00 be replaced with State funds increasing the amount of this request to $ 1,989,798.00 a biennium.

Funding request

With a base level of $650,000 per year in funding, the Centers for Independent Living estimate they would have a presence in every county of the state. This would total $2.6 million per year, or $5.2 million per biennium. To replace Social Security Reimbursement Funds and increase State funding to minimum funding levels an additional $ 994,899.00 per year/ $ 1,989,798 per biennium would be needed which would result in the entire state having access to independent living services on at the very least a limited level.

Unserved-Underserved Areas of North Dakota
2011-2012



19 counties served (purple)

12 counties underserved (orange)

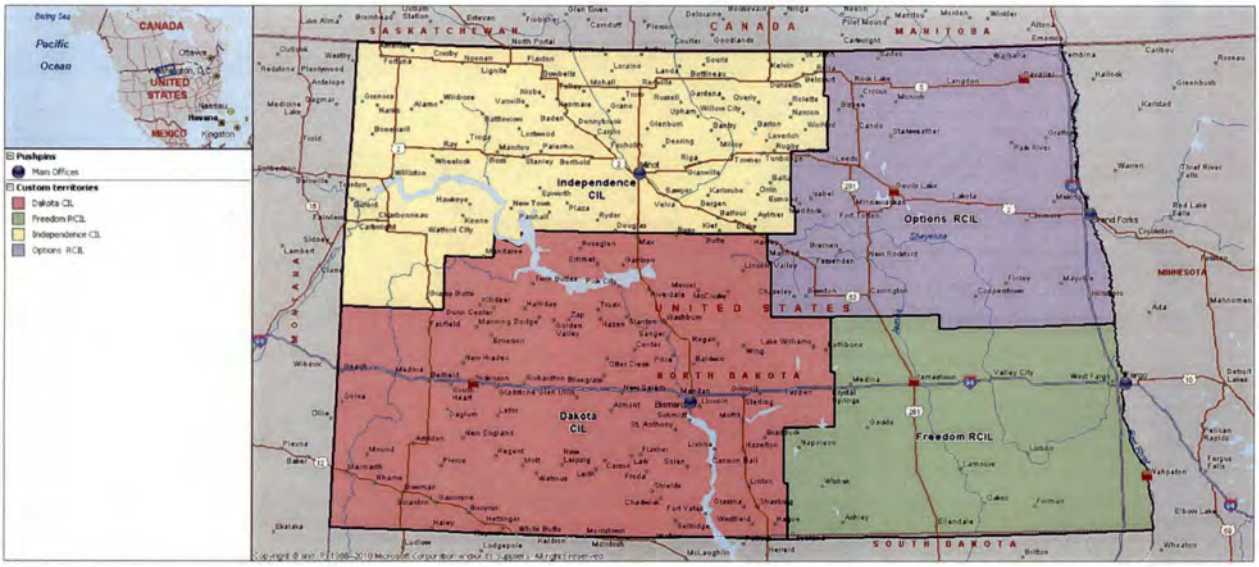
22 counties unserved (yellow)

Served (definition)

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 consumer needs. 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 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 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.

Center Service Areas



The Platte above shows the current Center's Service area. The State Independent Living Council set the service areas based on analysis of population and geographic area at the time. At the time demographers estimated that the eastern part of the State's population growth was to outpace the western resulting in service areas that were designed smaller.

If funding levels were increased centers would look to a variety of methodologies to provide service to those areas currently underserved or unserved based on the need of the individual service area and the most economical means to provide the service. To accomplish this to date Centers have hired additional staff within a particular office or opened an outreach office in a rural location.

Dakota CIL, Bismarck

With additional dollars requested Dakota CIL would add 2.5 FTE's. Ideally, we would like to place them in the northern part of our service delivery area such as Hazen/Beulah and Killdeer and near Mott in the southern part of our service delivery area. This will depend on being able to hire qualified staff in these areas and find affordable office space. If that is not feasible the 2.5 FTE's would be in the Bismarck and Dickinson offices. A small portion of these funds would also be used to increase salaries in the Dickinson office to try and stay competitive with the job market in that area.

Independence Inc., Minot

With additional dollars requested Independence would first increase the salary and benefit package in order to remain competitive in the hiring process and better retain well-trained competent staff. Then we would add 2.5 FTE's. The first .5 FTE would make the Youth Transition program permanent and would ensure that schools thorough out our service area could continue to receive those services. With the other two FTE's we would add Community Relations Specialists to serve the unique barriers that are being faced in our areas. These Community Relations Specialists would work with individuals with disabilities, business, and local governments to remove the barriers that limit full participation of people with disabilities. One would be assigned to work primarily in the western-most counties of our service area. They would work to provide technical assistance and expertise to the area that is being strained during the oil boom. The second would work out of the eastern part of our service area, and would be responsible for serving the area in and around the Turtle Mountain Indian Reservation.

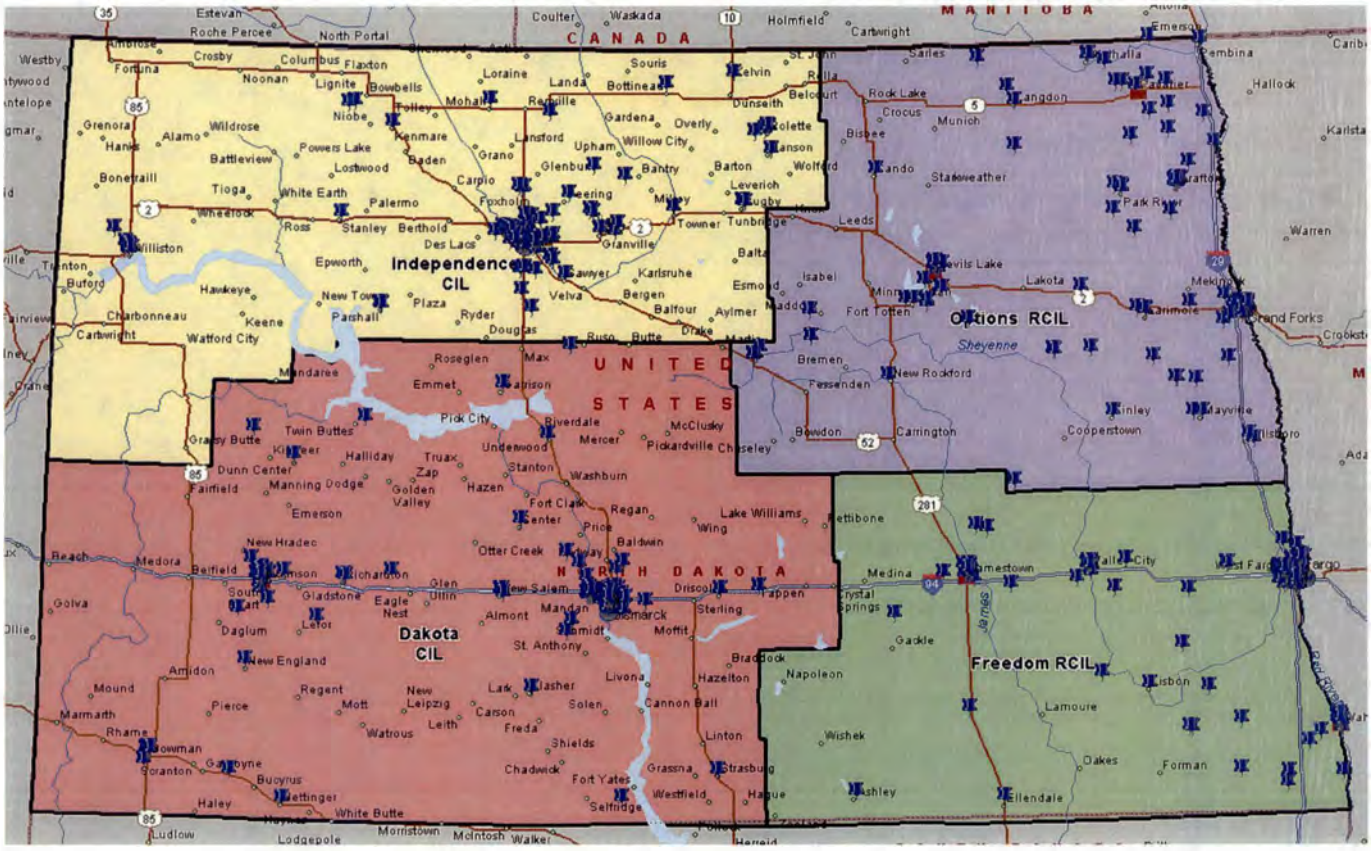
Freedom Resource Center, Fargo

Freedom's first priority regarding expansion plans would include adding staff to serve McIntosh, Logan, LaMoure, Dickey, and Sargent counties. The second priority would be to continue funding for a one half-time advocate position in Fargo. After taking care of those priorities, the Center would look to add staff to its Fargo, Jamestown, and Wahpeton offices to provide services to people unserved/underserved. Freedom would also like to hire a .5 FTE position to work on community and home accessibility issues.

Options IRCIL, Grand Forks

Options' expansion plans include adding an outpost office in Carrington to cover the southwest corner of Options' service area utilizing 1 FTE. Remaining funds would be used to add additional staff to increase Options' presence within the northwest, southeastern and south-central portions of the quadrant. This would include one additional staff person stationed in Devils Lake as well as two additional staff stationed out of the Grand Cities. One person would cover the south and the other would assist with staffing Grand Forks County. Remaining funds would be used to increase staff pay to stay competitive and to give raises to staff who have not received cost-of-living increases in three to four years.

Scatter Map of People with Disabilities Served Through Direct Service



This map shows the impact of additional staff in unserved areas of the state. The two newest branch offices that have been opened utilizing additional state general fund revenue are Devils Lake and Wahpeton. Other branch offices where Independent Living staff are located include Cavalier, Jamestown, and Dickinson.

Centers for Independent Living (CIL) Service Highlights

Individual Services

A Marine who had incurred a severe disability while serving in Afghanistan needed assistance in order to take his driver's test. The Center was able to locate a vehicle with adaptive equipment he could use in order to take his driver's test. As a result the Vet can acquire his driver's license.

A consumer is a US Marine Corps Veteran who served our country in Vietnam. In Vietnam he was exposed to Agent Orange, which resulted in long-term health problems and a service-connected disability. Five years ago, seeking employment, he moved to Upham from Pennsylvania and bought a house. He was able to find employment in Minot, but was told by his employer that he was "uninsurable" due to his medical history. This was a scary position for him to be in considering his health conditions and age. Uncertain of his ability to find employment that would offer both job skills training and medical insurance, he made an appointment with the Center. At the meeting, we discussed many options, and he reluctantly made the decision to consider applying for Social Security Disability; a process he had started several years before but somehow he fell through the cracks. With the Center's guidance, he began the process of applying for benefits. While he found the process frustrating, he stated that each time he had a hoop to jump through "You were there to help".

The Center assisted a 57 year old man in relocating from a nursing facility into his own apartment. The man was born with juvenile rheumatoid arthritis that persisted throughout his life until he was no longer able to work. Both of the man's legs were amputated due to stasis ulcers that affect an individual's lower extremities. The staff helped him find appropriate assistive technology to help with his mobility impairments while assisting in finding a suitable apartment that met his needs where he remained until his death.

A Native American with multiple disabilities is now living independently in her own apartment. The Center helped her move from a shelter for battered women into the apartment by assisting her with locating housing that fulfilled her needs and funding while she looked for work. The individual is working and is involved with various activities through her church and community. Additional resources were also identified in order for her to fulfill her medication needs through resources found through the BIA.

A female diagnosed with Neurofibromatosis when she was 4 years old and now middle aged sought services. The disability causes tumors to grow all over her body internally and externally. She was self-conscious about her appearance and refused to take frequent public outings. After learning about the Center's life skills class called "Living Well with a Disability," a ten-week class that teaches people how to set and reach their personal goals, she requested to be involved. After completing the class, she frequents public events, has publicly spoken in front of her entire congregation at church, and is now peer mentoring others.

A man with Asperger's Syndrome came to us because of his frustrations when it came to finding employment. The individual had a Masters in Social Work but was not allowed to receive his counseling degree due to the school's opinion that his impairments were too severe. After being turned down from several jobs, he was growing frustrated and losing hope. The Center started working with him on individual advocacy including communication and social skills. Once he realized people without Asperger's Syndrome see the world differently he changed his perspective and the way he interfaced with the world. Due to this he was offered and took two jobs. Beyond working two professional jobs, the individual is involved with the North Dakota Mental Health Association, and is in a leadership role for a local Asperger's Support Group. He continues to Peer Mentor other individuals.

The Center assisted a 70-year-old female to relocate from a Nursing Facility back to her home in a small rural community. Her home was not accessible and needed a ramp installed. The major change that was needed was the addition of a wheelchair ramp, so the worker coordinated volunteers made up from students from the local high school industrial arts class. The students built a ramp using local contributions for materials, which was also coordinated by the staff person. The ramp was built in sections at the school and transported to her home and assembled. The consumer was also given a power wheelchair, which was donated to the Center when she returned home. She has been seen in the park with her dog and attending community functions that she was never able to do in the past

A 20 year old female who is deaf, with limited sign-language skills met regularly with a staff person and an interpreter to increase her ability to communicate with the outside world. The Center staff assisted her to get technological equipment for her apartment so she could tell if there was an emergency, the telephone rang, or someone was at the door. Additionally, the staff helped her put together communication cards she could use while out in the community in case an emergency arose or to explain her disability.

Long Term Care: Centers collaborate the Money Follow the Person Program to assist people from nursing home care into the community.

Relocation: Center staff assisted an individual with TBI residing in a transitional nursing facility to return to his apartment. Staff assisted him to obtain his driver's license, resources to reimburse for his medications, and to identify funding to repair his vehicle, which he utilizes for his business.

Nursing facility Diversion: Center staff assisted an individual with mental illness from being wrongly evicted from her apartment, putting her at risk for re-institutionalization. Due to a personality conflict, the landlord was threatening eviction and wrongly accused the individual of problems within the apartment. Center staff worked with the individual to establish self-advocacy skills and the assistance of ND Legal Services. Through this process it was found that the landlord had no grounds to evict the individual from the apartment. The landlord was sent a notice by ND Legal Services to not harass or make any unfounded complaints against the individual. Since t hen, the landlord has maintained a cordial relationship with the individual and the person continues to live independently in her apartment.

Education: Provided advocacy skills trainings and disability awareness trainings to high school aged (transition) and university students. Participated with parents in IEP meetings with school officials.

Transportation: Collaborated with local and state transportation and transit providers to provide enhanced local access, availability and affordability to the elderly and those with disabilities.

Independent Living Skills Training: Center staff collaborated with a public school to provide additional skills instruction for students with disabilities needing such in order for them to have a better chance in passing their drivers permit test. To date, six students have completed the driver's education training and four have received their driver's permits.

Assisted a 70 year old man with a double leg amputation to obtain a vehicle lift for his pickup through the Center's Equipment Program. By utilizing the lift he is able to put his wheelchair in the box of his pickup independently putting spontaneity back into his life.

Recreation: Provided recreational outings such as fishing, hunting, dances and other leisure time activity for youth and adults with disabilities.

Technology: Center for Independent Living staff assisted a person to obtain a grant through IPAT Peddling for Possibilities program to get a new IPAD for communication. This person was in an accident several years ago and lost his ability to speak. This new communication device is much more advanced than his last one, and has much more clarity.

Community Services

Protection and Advocacy of North Dakota requested assistance due to an accessibility complaint they had received about the accessibility of North Dakota's Capital. As a result the Center did an accessibility evaluation and recommended that various features be addressed in order for the building to be compliant. As a result the issues were addressed by capitol facilities and the problems rectified.

The Center has provided training to groups on the employment provisions of the Americans with Disabilities Act (ADA). One of the groups was the student human resources club at a local university, and the other a support group for people with epilepsy. Topics covered included essential job functions, reasonable accommodations, and how employees and employers should work together to enhance the chances of a successful outcome.

The Center has a task force that works toward community accessibility. As part of their efforts, they reviewed plans and provided suggestions for accessibility improvements to a new office building. Another activity of the task force is to list accessible businesses on the organization's website, providing important information to visitors and citizens on businesses where they should not encounter environmental barriers.

Center staff brought up an accessibility concern to a chamber of commerce regarding their upcoming sidewalk sale. Curb cuts and paths of travel had been blocked in the past by merchandise. The staff person explained the concern, told the chamber representative what the regulations required, and provided assistance. The result was that the chamber embraced the idea, and held a more accessible event for all.

Accessibility: Provided technical assistance to architects, builders, business and individuals with regard to accessibility regulations.

Durable Equipment Loan Program: Two CIL's have established loaner programs, while persons wait for program eligibility or delivery of their own equipment.

An annual independent living fair is held to bring area service providers, vendors and people with disabilities together to create awareness and networking opportunities. The day-long event includes several breakout sessions featuring presentations on disability services and other related topics for community education. Feedback from CIL consumers and the community indicate that the independent living fair provides an wonderful setting for finding resources, information and available services within the our service area.

A local fraternity is assisted every year in their fundraising efforts to raise money in order to purchase materials needed to build ramps for people who do not qualify for any public programs. After raising the funds the fraternity builds the ramp using their members and plans supplied by the Center's accessibility specialist.

-End-

attachment (11)

January 21, 2013

RE: House Bill 1012

Dear Chairman Pollert and Members of the House Appropriations- Human Resources Division,

I've received services from Dakota Center for Independent Living to help me with living on my own. When I moved to Bismarck and with the help of Dakota Center for Independent Living, I was taught cooking skills which use on a daily basis. They also taught me how to use the City Bus and how to get around in Bismarck. The social recreation activities offered through Dakota Center for Independent Living has helped me integrate with others at Dakota Center and the community. Due to the services I've received through Dakota Center for Independent Living I was able to obtain a part- time position as a social & recreation assistant with Dakota Center for Independent Living.

Thank You for your support on House Bill 1012.

I would encourage you to fully fund Centers for Independent Living.

Sincerely,

Randee Sailer

Randee Sailer
333 W Interstate Ave, Apt 8
Bismarck, ND 58503
701-214-2671

attachment (12)

January 21, 2013

RE: House Bill 1012

Dear Chairman Pollert and Members of the House Appropriations-Human Resources Divisions:

As a disabled resident of North Dakota for 22 years, I am writing to share with you about my feelings about House Bill 1012 and why you should continue your financial support for Centers for Independent Living. On my way to Bismarck from Tolley North Dakota for a doctor appointment, I heard on the radio about disability awareness for Traumatic Brain Injury. As October was Disability Awareness month. I drove out to Sam's Club where it was being held. When I was there I met Eunice from Dakota Center for Independent Living. She gave me a card to go see Jeanne about housing. When I got there I got to visit with her right away. She helped me fill out the paperwork required for housing. I got to keep in touch with her on the phone about the progress of my case. When I came down for my next doctor appointment, I stopped in to see Jeannie. She advised me to call manager at The Patterson Place, so I did. I got in that same day to visit with manager. I got an apartment that day and was approved to move in within two weeks .What a blessing to be close to my doctors. Since I have been down here Jeannie has helped me with getting transit set up. Susan helped me with getting my insurance switched with one that is available in Burleigh County. The whole group has gone out of their way to answer any of my questions at anytime. We all have P.M.A. ,which stands for Positive Mental Attitude.

I strongly urge you to support and encourage you to fully fund Centers for Independent Living on House Bill 1012.

THANK YOU FOR YOUR SUPPORT ON HOUSE BILL 1012

Sincerely,

Kim Erickson

Kim Erickson
420 E. Main Ave. Apt #510
Bismarck, ND 58501
701-240-1989

attachment 13

Testimony

House Bill 1012 – Department of Human Services

House Appropriations – Human Resource Division

Representative Pollert, Chairman

January 21, 2013 – Public Comment

Chairman Pollert and members of the House Appropriations- Human Resource Division, my name is Vickay Gross, Disabilities Advocate for the Protection & Advocacy Project. I am here today to provide testimony regarding the Department of Human Services 2013-2015 budget request, specifically funding for Vocational Rehabilitation and related services.

It is estimated that North Dakota has over 20,000 job openings statewide. As a result there are greater employment opportunities in our state for all North Dakotans including people with disabilities. We have people with disabilities eager to work and employers looking for qualified employees. However, there are wait lists for services needed to help people with disabilities to go to work. Vocational Rehabilitation is in an order of selection resulting in a waiting list for training, placement and stabilization services. Extended services are inadequate to provide the on-going support to assist people with most significant disabilities to maintain their employment. In addition, benefits planning services are very limited with only one part time person to provide services statewide.

The Department of Human Services OARs for the 2013-2015 Biennium included funding for extended services and benefits planning. The extended services funding would provide on-going support to assist people to maintain the integrated competitive, community-based employment achieved under Supported Employment through Vocational Rehabilitation. According to the description of the OAR, the division calculates that it will require an

additional $18,800 to maintain the current number of individuals in the program. Additionally, the division currently has 24 individuals in the Supported Employment training and stabilization phase. The OAR was for an additional $201,600 to support people with disabilities to maintain employment in the 2013-2015 biennium. The OAR for employment benefits planning would support a statewide system of benefit planning services to all clients of the Department of Human Services. Benefits planning is a valuable service to people with disabilities who need help navigating the complex benefits system when they choose to go to work. DHS was requesting $540,000 for benefits planning for the 2013-2015 biennium. However, neither of these OARs was funded in the Executive Budget. There was no OAR proposed to address the waiting list for services through Vocational Rehabilitation.

Employment should be the first and preferred outcome for people with disabilities. Services such as extended services, benefits planning and Vocational Rehabilitation are necessary to assist many people with disabilities to go to work. It also provides employers another worker pool to help them meet their workforce needs.

In closing I would ask that this committee take the initiative to add funding to the DHS budget for extended services, benefits planning and Vocational Rehabilitation services.

Thank you for allowing me the opportunity to comment on HB 1012 for the Department of Human Services budget. I would be happy to answer any questions you may have regarding my testimony.

Attachment ①

January 21, 2013

RE: House Bill 1012

Dear Chairman Pollert and Members of the House Appropriations-Human Resources Division:

My name is Martin Chase; I've been affiliated with Dakota Center for Independent Living since October 2010. Before getting together with the Center I was not homeless, but close to it and not knowing where my next meal would come from. I'm limited on types of jobs I can do. I only work a few hours a day, seven days a week and still don't make enough money to pay my bills. Since I started working with Jeannie from Dakota Center for Independent Living she's helped me to getting on Social Security, Housing Voucher and Food Stamps. She also helped me in finding a medical doctor, dentist, eye doctor and got me on Medicare Plan D for my medications. She's helped me in so many ways; she helped me fill out an application so if I need I can ride Transit. She is my Reprehensive Payee; she makes sure my bills are paid every month. She helped me in set up my burial plan with Eastgate Funeral home and Sunset Gardens.

When I fell a few weeks ago and injured my leg and couldn't get around to make meals, she made sure I was taken care of by setting up meals-on-wheels which were delivered to my home. Without the help from Dakota Center for Independent Living I'm not sure where I'd be today.

I highly urge you to support and encourage you to fully fund the Centers for Independent Living on House Bill 1012.

Thank you for your support on HOUSE BILL 1012.

Sincerely,

Martin Chase

Martin Chase
316 Mandan Street #5
Bismarck, ND 58501
701.204.5014

Attachment (2)

Testimony in Support of House Bill 1012

Submitted to:

Chairman Chet Pollert, and

Members of the North Dakota House Appropriations Committee, Human Resource Division

Focus: Appropriation provided for the Older Blind Program in the Division of Vocational Rehabilitation in the Human Services Department for 2013-2015.

Submitted by:

Zelda Gebhard, 8169 66th St SE, Edgeley, 58433 Residing in District 29.

Home 701-493-2399, Office 701-493-2541, Email: zgeb@drtel.net

Co-Legislative Liaison, North Dakota Association of the Blind (NDAB)

Former State Rehabilitation Council member and chair.

Chairman Pollert and members of the committee:

I am here today to urge you to raise the funding of the Older Blind Program which is under the Division of Vocational Rehabilitation within the Department of Human Services.

As a person living in North Dakota with low vision and as a representative of the North Dakota Association of the Blind, I ask you to increase the funding of the Older Blind Program to closer align with the rapidly rising need of our aging ND residents.

You are well aware that ND ranks number one in the nation with the number of residents over the age of 85 per capita. Because of that aging population and the conditions that occur more frequently in the elderly as a result of a number of conditions including diabetes and macular degeneration we will continue to see an increasing need for vision services in ND. The ND Data Census Center projects that by the year 2015 we will have over 14,000 citizens with significant sight loss in ND.

The Older Blind Program serves over 900 people each year through vision specialists working from the eight regional offices across the state. To qualify for the program an individual must be 55 or older. People served are usually seen, evaluated and given advice and recommendations on how they might live safer, more productive and independent lives in their own homes. The vision specialists are very effective in accomplishing this task with minimal resources which is on the average under $50 per person served. The $50.00 might buy a magnifier, talking thermometer, talking calculator, white cane, talking scale or talking blood pressure cuff. Some of these devices might prevent an emergency room visit or hospitalization . Others might help an individual to continue doing their bill paying or business independently.

This very valuable program can prolong the length of time our ND citizens can stay in their own homes and likely postpone the need for costly long term care.

Again, I urge you to consider raising the funding for the Older Blind Program. This would enable our vision specialists to help more individuals to maintain their productivity and independence.

The Older Blind Program is specifically directed to serve persons who are 55 years of age and older. Although there have been significant advances made in eye care, sight problems such as macular degeneration, diabetic retinopathy, glaucoma, and cataracts continue to be primary sources of vision impairments and blindness, particularly for those persons who are 55 and older.

The professional staff that are trained to provide the services the Older Blind Program offers are called vision rehabilitation specialists. In North Dakota there are 8 vision rehabilitation specialists assigned to work in each of the state's 8 defined Human Service regions. Most often the vision specialists employed in the older blind program will travel to a client's home to do an assessment of needs and provide the services and counseling that is needed.

The training that the vision specialists provide is personalized to meet individual client needs. The assistance provided includes training using vision and mobility aids, information on where to get additional help, demonstrating the use of aids and appliances, and help with modifications people can make in their home environment to deal with sight loss. The services of the vision specialists has helped hundreds of our older citizens who have experienced severe sight impairments to become more independent and enjoy a more productive and fulfilled life in spite of having lost some or all of their eyesight.

The skills and aids that the vision rehabilitation specialists provide do much to help our older citizens, who experience a loss of sight, to remain in their own homes and postpone or avoid institutionalized nursing home care. The cost savings that are gained by postponing or avoiding institutionalized care and the increased sense of well being and dignity that are realized by being more independent are strong and compelling reasons for the state to make a Significantly Larger appropriation for the program here in North Dakota.

During the last reporting year, North Dakota vision specialists served 921 clients. Due to funding limitations in the Older Blind program an average of only $46 could be spent per client. Many of the clients served are elderly and live on fixed incomes so for them to purchase a vision aid that would help them is difficult or impossible.

The rural character of our state and limitations on access to public transportation can mean those who experience severe sight loss are isolated and very dependent on others. Consequently the aids and skills that vision specialists can provide are highly valued by those who are served by the program.

NDAB Resolution 2012-01

The 2013-2015 biennial appropriation allocated to the North Dakota Vocational Rehabilitation Older Blind Independent Living Program.

Whereas, the North Dakota Data Census Center projects that by the year 2015, a minimum of 14,335 citizens of the state will have experienced medical conditions that will have resulted in a significant loss of their eyesight, of this number 10,283 will fit the definition of persons with "low vision" and the remaining number in excess of 4,000 will fit the definition of persons that are "legally blind"; and,

Whereas, demographically, North Dakota has the highest proportion of people per capita over the age of 85 than any other state in the nation and, this is the subpopulation of people that by far has the highest incidence of blindness and visual impairment; and,

Whereas, seniors who receive blindness rehabilitation skills training to adjust to sight loss often can avoid or postpone institutionalized care and live more productive, fulfilling and happier lives, And;

Whereas, the current budget for the older blind program fails to meet the costs that this program realizes because, (1) the federal government funds the program in North Dakota at a minimum level due to the small proportional number of people who live here, and (2) travel costs are significant because the vision specialists employed in the program need to meet with people in their home settings to do a proper evaluation and training and (3) there has not been a cost of living adjustment in the program's budget for several years, and;

Whereas, due to the funding limitations this program has experienced in recent years, the amount of resources that have been available to meet individual client needs has been severely restricted;

Now, Therefore, be it resolved that the North Dakota Association of the Blind in convention assembled on this day of Sunday, June 10th 2012 at the Doublewood Best Western Inn in Bismarck, urge the 63rd North Dakota Legislature to appropriate at least $150,000 of state funding in the next state 2013 – 2015 biennial budget for the Vocational Rehabilitation older blind program. Federal funding for the Program is authorized through (Title 7, Chapter 2 of the Rehabilitation Act). The current level of revenues received by the state of North Dakota for the Older Blind program from the federal government is $225,000 per annum; a state appropriation of $150,000 for the next biennium would fund the program at $300,000 per annum.

Attachment (3)

Testimony
House Bill 1012
House Appropriations Committee Human Resources Division
Representative Chet Pollert, Chairman
January 21, 2011

Chairman Pollert and members of the Committee: my name is Carlotta McCleary. I am the Executive Director of ND Federation of Families for Children's Mental Health (NDFFCMH). NDFFCMH is a parent run advocacy organization that focuses on the needs of children and youth with emotional, behavioral and mental disorders and their families, from birth through transition to adulthood.

Mental disorders affect about one in five American children and one in ten experience serious emotional disturbances that severely impair their functioning, according to the Surgeon General's comprehensive report on mental health. Sadly, over two-thirds of children struggling with mental health disorders do not receive mental health care. The President's New Freedom Commission on Mental Health found that without early and effective identification and intervention, childhood mental disorders can lead to a downward spiral of school failure, poor employment opportunities, and poverty in adulthood. Untreated mental illness may also increase a child's risk of coming into contact with the juvenile justice system, and children with mental disorders are at a much higher risk for suicide.

Currently, the NDFFCMH provides Parent-to-Parent support for children with mental health needs and their families. Children with mental health needs are often involved with multi systems in order to meet their complex needs. The four main public systems are Mental Health, Education, Child Welfare and Juvenile Justice. The Parent-to-Parent Support program assists families in navigating through the various systems so that families understand their rights and

responsibilities so that they are more informed and can truly partner with the various service providers to ensure the needs of their child are met. Parent-to-Parent Program provides families with support, education and advocacy to assist families in accessing the services that their child needs. This program will no longer be funded by the Division of Mental Health and Substance Abuse.

The Department of Human Services serves children with mental health needs in their Partnerships Program. This is a very successful program that utilizes the wraparound process to provide services to the children with serious emotional disturbances and their families. Partnerships program however is experiencing capacity issues in many parts of the state. While the governor's budget addresses the capacity issues at Southeast Human Services Center it does not address the capacity issues for the rest of the state.

Transition to Independence program is a program for transition age youth who are falling through the cracks of our traditional service delivery system. This program has been very effective in assisting youth and young adults transition to adulthood. This program is also experiencing capacity issues in many parts of the state.

Vocational Rehabilitation Provides essential services to transition age youth and young adults with mental health needs. Employment is a crucial part of recovery from mental health needs. Vocational Rehabilitation is currently on Order of Selection with many youth and young adults with mental health needs on waiting list waiting for services. These services that are needed now in order to involve are youth with employment opportunities.

Peer to Peer Support is currently serving adults with mental health needs. Whether it is an adult youth or families a peer can provide insight and support that empowers people to have the

confidence to deal with the day to day struggles. Nationally, Medicaid programs are providing reimbursement for peer to peer services. These include youth-to-youth, parent -to-parent and peer-to-peer. These are evidence base services and they have had very positive outcomes.

Thank you for your time.

Carlotta McCleary, Executive Director
ND Federation of Families for Children's Mental Health
PO Box 3061
Bismarck, ND 58502

Phone/fax: (701) 222-3310
Email: carlottamccleary@bis.midco.net

Attachment 4

Public Testimony
House Bill 1012-Department of Human Services Budget
Mental Health/Substance Abuse
House Appropriations-Human Resources Division
January 21, 2013

Submitted by Rebecca Quinn, Traumatic Brain Injury Program Director
Center for Rural Health, UND School of Medicine and Health Sciences

Good morning Chairman Pollert and other members of the Committee. My name is Rebecca Quinn and I am the TBI Program Director at the Center for Rural Health, UND School of Medicine and Health Sciences. For the past five years it has been my pleasure to work with individuals with brain injury, family members and other professionals develop brain injury services.

Brain injury is by all definition a life altering event. No one prepares and there is no time to plan. It is something that families and individuals are thrown into; often with very little support and no guidance. Getting to go home after being in the hospital can be exciting and a welcome relief; individuals and families are anxious to get back on with their lives and transition back to everyday activities.

However, often this can be a challenge for the person with the brain injury and for the families. The long term effects of brain injuries can create an uncertain recovery path and often do not fit well into any one particular service system. Lack of awareness and understanding of the possible long term effects of brain injury means that often even the individual and family are unaware of the full ramifications; let alone how to best seek assistance from services. It is this lack of understanding that is detrimental for the recovery from a brain injury. It is not uncommon for an individual, family members and professionals to disregard many of the problems and complexity associated with brain injury. Unfortunately, failing to quickly identify areas of difficulty and put individuals in touch services can allow a situation to become significantly worse than it needs to be.

Even when individuals and families are aware of the need to seek care this process can be confusing and difficult access. Seeking adequate care, treatment and services often involves the need to access multiple public and private systems, as well as overlapping use of both the medical community and the human services field. Individuals and families are unprepared for how best to coordinate services and often do not know what services are available in their area.

Resource facilitation is a service that over 40 states have adopted to provide a guide to help individuals and families navigate the various resources available to increase independence and maximize quality of life. Every case is unique. Therefore, the nature of the service delivery system must be flexible and leverage community assets to address the diverse needs of each individual

with brain injury. Resource facilitation provides a much needed bridge between brain injury survivors and services that are available in the community.

Resource facilitation can save North Dakota money by providing the right access to the right services and supports at the right time for persons with brain injury and their families. Research has shown that resource facilitation saves money by getting individuals back to productivity and employment. A recent Indiana study showed that over two thirds of individuals with brain injury receiving early resource facilitation return to work within six months compared to less than one third of individuals who did not receive resource facilitation services.

The goals of Resource Facilitation are to prepare individuals to:

- Return-to-work, and/or
- Return-to-school or college.

Why does Resource Facilitation work? It provides:

- Early access to brain injury expertise and services,
- Coordination of available systems and supports, and
- Funding and eligibility information.

Estimated number of individuals with brain injury in ND:

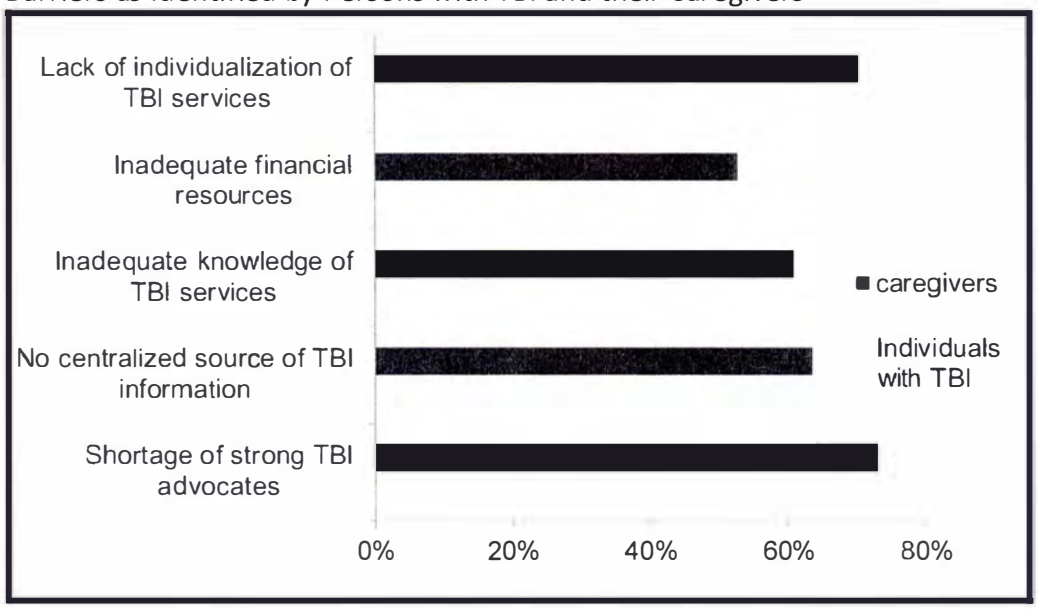
- Close to 7,000 TBIs sustained each year
- 13,000 with permanent long term disability
- DHS screening found 36% of individuals screened positive for TBI
    - Between March 14, 2012 and March 22, 2013 13,683 TBI screens were completed
- Fargo VA has had over 400 positive level II screens for TBI

Results of 2005 North Dakota TBI Needs Assessment

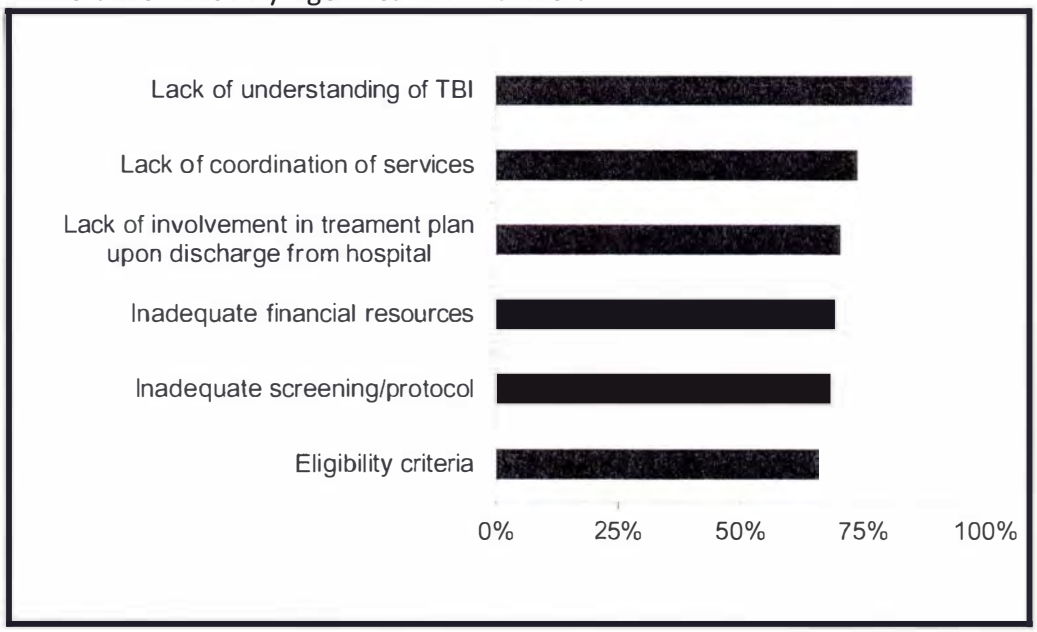
Four prominent needs were identified by individuals with TBI, caregivers, agencies, and providers.

- The need for increased access to TBI information and resources
- The need for increased TBI education, training, and awareness
- The need for enhanced and expanded TBI services
- Needed support services for persons with TBI and their families and caregivers

Barriers as Identified by Persons with TBI and their Caregivers



Barriers Identified by Agencies and Providers



Attachment 5

iTestimony

House Bill 1012 – Department Of Human Services

House Appropriations – Human Resources Division

Representative Pollert, Chairman

January 21, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division; I am Rhonda Boehm and my son Eric sustained a Traumatic Brain Injury on May 17, 2002 in a motor vehicle accident. I was contacted by the Head Injury Association Of North Dakota 3 years ago concerning Eric and if I was interested in meeting the board? I said yes, and I have obtained many answers, guidance, became a board member and am currently serving as Secretary of the Head Injury Association Of North Dakota.

This is my son Eric; does he look like he has suffered a traumatic Brain Injury?? This is an "invisible injury" that he will unfortunately live with the rest of his life. A brain injury does not go away or ever completely heal...Eric was one of the very lucky ones to beat the odds, as he wasn't expected to survive the first night in ICU; to make a very intense story short, ten years later he is living independently in his own apartment, working a minimum wage paying job, drives his car again, and does so much more as he has recovered all the essential life skills to "live" independently. But, he has not recovered completely and most likely never will: There is a very important part that he has not regained and those are his cognitive and social skills; including memory, and understanding the more complicated things in life and organization. Eric is like many individuals living life after a Brain Injury – they will always need some type of assistance with remembering every meeting, appointment, work schedule and making life complete for them. It is very difficult and sometimes impossible for them to walk this long and winding path alone; therefore the need for resource facilitators is so vital; this type of service would have made our life transitional change less challenging; and we would have possibly en able to keep our family together so much easier. I spent an enormous amount of time on simply organizing and uring everything out from the time Eric was in the hospital until the present.

We were by Eric's side day and night for four (4) months (three separate hospitals); followed by 5 years of driving him 65 miles to Bismarck for therapy 3 times a week, four hours each time. I continue to spend a lot of time with Eric; I love my son and continue to do everything I possibly can to help him succeed in life, and he desperately wants to live out some of his dreams. Our lives have changed drastically: A major change was that I sold my construction business of 30 years, and my family life was changed as I was with Eric, and my husband Lee and our older son Levi were at home keeping our family farm/ranch in place. Our family wasn't together much for months because I needed to devote my time to Eric which was so important and crucial at that time. From the age of 14 (the age he was at the time of accident), up to today at age 24 he has needed a lot of guidance, assistance, and someone to help him continue to move forward. I have spent many days frustrated to the point of physical exhaustion myself; I assume mostly because I can't do "everything" ...I am an accountant and ....I'm just a "mom" ; I do not have a background of a therapist, social worker, job coach, medical professional, government programs , etc. I have searched, visited, made phone calls, went to conferences, knocked on many doors, learned (often times the hard way), to learn everything that we can further do for our son Eric.

The time at the hospital is somewhat of a "blur" because of the emotional, unknown life my son and my family were facing, as everything was "taken care of" by the medical staff and other divisions while we were there. When we came home we then continued with the outpatient therapies and suddenly..... We were "alone".... and that's when we realized we have no one to assist us and were completely overwhelmed. At that time there was no Head Injury Association Of North Dakota and on one to contact for assistance and support. So I began the search - online, going to meetings, taking classes, talking to different therapists and doctors, going to support groups, to help us get where we are today. Eric lives in Grand Forks as he was attending UND, but unfortunately had to take a "break" because he couldn't achieve the grades he needed. This was devastating for Eric and it was back to the drawing board. He then got time job which he was so proud of and continues to work there. Three years later, he is now enrolled in one class ain this semester, and I pray every day that he can achieve some type of degree to obtain a career that will allow him to be happy with his career and live above poverty level income. His day to day memory has improved but his ability to retain a large amount of information at one time is very minimal. This has made college difficult and his life of

independency a challenge. One instance in the past few months was concerning his job. He was called in by his manager and given a "written warning" that because of his memory he might lose his job, (he could do his job, but often was hard to remember so many items at once), then his second warning came and he talked to his manager, and said it's because of my brain injury that I don't always remember everything. He was told that this was "beside the point". Eric then called me and then I said we need to get your accommodation form "in your file". We also met with his Vocational Rehab counselor and Rebecca Quinn with UND and decided to file a "new accommodation form" regarding his disability due to his brain injury. He is still working and things are going good, but if he had not told me about the situation at work, he more than likely would have been fired due to his memory issues. This is just one of the many situations that people with brain injuries deal with every day. Without cognitive functioning (memory and clear thinking); individuals with a Brain Injury often cannot comprehend, understand or describe details.

It is extremely difficult for an individual with a brain injury to complete all the paperwork, attend meetings, report things on time, keep things organized as to what is what. This is one of my files which holds many papers from meetings, applications for different assistances, forms filed, phone numbers and more. I also have these phone numbers in my cell phone for quick access to help Eric no matter where I am.

I make the trip 200 miles to Grand Forks about every two weeks, sometimes twice in a week, to help Eric with the many meetings, appointments, medication organization, apartment cleaning and general living things as necessary. There are more entities state and federal than I could have imagined! As a mom who did accounting/payroll within my construction business I took on a whole new job which I knew very little about. To name a "few" applications/meetings: IEP Meetings, Vocational Rehabilitation, work with DSL/private tutor in college, Disability Housing Authority, Snap Food Program, Medicaid/SSDI meetings, SSI, UND Professor for Neuro testing, Hanger & Prosthetics for orthotics and walk aide, Doctors and therapists for Obsessive Compulsive Disorder and Anxiety which Eric has developed the past years as a result of his brain injury, and many numerous other entities.

During these past years I have felt like we have been going from one office to another office and then to another.....There are so many aspects and challenges to make life the best possible ,living with a Traumatic Brain Injury. My question I think about so often and I will ask you now....Where are the individuals that have sustained a brain injury who don't have a mom (like Eric has me) or a spouse or loved one that can be there when they they need help and are so very frustrated with life? How many parents can quit their job or sell there business to devote so much time to help their love one find their way back to life beyond hospitals and therapies? We have made things work with just our family farm/ranch income because of the love for our son and the needs he has required.

Having a Resource Facilitator is desperately needed for these reasons I have mentioned: To guide, inform, organize, help with applying for assistance and/or jobs, and where to go for issues that constantly come into ones life. Think about how organized the average person has to be in life to keep things on track and to live life to their fullest....a person living with a brain injury so often does not regain these cognitive areas of thinking; therefore if they have no one to help them, and sometimes they get "tired of mom" because that is not viewed as being "independent", and they just give up. These individuals are most likely the ones who "fall between the cracks", and end up jobless, homeless, have addictions, and more difficulties because their lives have become meaningless after they reached the point of "I don't know what to do or who can help me"!?

Eric is very determined as am I so we are continually searching, studying, and looking for the many avenues of life Eric has in his future. He would be here with me today, but he is committed to his class and his job which he was scheduled for today. I am also very determined to make better the lives of those that endure a Traumatic Brain Injury so that they can live their lives to the fullest. I realize that there are improvements and changes being made constantly; and adding Resource Facilitators within the Head Injury Association Of North Dakota would be an absolutely great resource. I only wish this would have been available ten years ago! Instead .....I have walked the very long, frustrating path of life and endured so much "alone" following Erics Traumatic Brain Injury...my hopes are that there will be more guidance and assistance for individuals with a Brain Injury to make a very tough journey somewhat a "lighter load" to carry....."No Brain Injury is too small to ignore, or to severe to lose hope".

Thank you for your attention and time and I will be pleased to answer any questions you may have.

Rhonda Boehm

Attachment 6

Public Testimony

House Bill 1012-Department of Human Services Budget

Mental Health/Substance Abuse

House Appropriations-Human Resources Division

January 21, 2013

Good morning Chairman Pollert and other members of the Committee. My name is Jennifer Buresh and I sustained a traumatic brain injury due to domestic abuse and violence. I am not sure the exact date of my attack and never will be, however it has been narrowed down to either June 12th or 13th of 2009. After I was beaten, I started violently throwing up. I could not remember anything at all. My entire memory was gone; all 38 years of my life were gone. All time, space and existence stopped. My life, as I knew it, ceased to exist. I could not walk, I could not get dressed, I was seeing with triple vision and I could not make coherent sentences. The abuse continued and got worse. I had only two options, either drive 5 hours through the mountains of Montana by myself to get to the doctor or drive 5 hours to Dickinson to be near family to get help.

As time went on, I saw a neurologist and I am not sure how that happened. It was through the doctor that I got orders to see a speech therapist. In September of 2009, I was supposed to do therapy 5 days a week, but because my ex-husband didn't believe I had a brain injury that was not going to happen. My abuser made my life and death decisions, therefore, I was not able to follow the doctor's orders and get the therapy I so desperately needed. The abuse at that point, increased. My situation became a tortuous nightmare; he made it a physical, emotional, mental and financial nightmare. I was able to start my therapy in a very limited capacity on September of 2009, but it was

very inconsistent at that point. I did speech and occupational therapy to get some sort of therapy for my brain. I endured what I could, mostly just to appease my husband at the time until I was physically strong enough to leave my abusive situation. May 2010 was when I was finally physically strong enough to leave my abusive spouse. From 09-09 to 01-11, I did therapy to retrain my brain and I was at about a 3rd grade level. My son was in the 3rd grade at this time and we were doing the same kind of homework.

My speech therapist described my brain injury to me in this way; the damage to my brain was as if I had a major car accident along with shaken baby syndrome combined.

It was about March or April of 2010, when I saw my medical doctor that I could finally handle the truth and hear as well as start to deal with the truth about what had really happened to me. My doctor went through everything with me about what really happened and told me that it was a miracle that I was alive and there. That is when I began to really grasp everything.

I came back to Dickinson to be with my family and I didn't know where to start and how to get help. I needed help with everything in my life. No one here in Dickinson wanted to or would help me with anything regarding my traumatic brain injury. My medical professionals all told me that they could help me to a point, but that I needed to seek alternative ways of treatment, body, mind and spirit. I was left on my own to figure this out. Thankfully, I have knowledge and background in healing therapies and I know people that saved me in my hour of need. I needed more. I could not work, I had no income, I was told that I would never work again, I was originally told that I may never get my sight back. The doctors were confident about my speech coming back and that I would be able to walk again. They were not confident that my life skills would come back, but I was able to regain those functions.

I now live in Dickinson in my parents' home. When I saw no one wanted to help me, I mean no one. Not my friends, not the service agencies, not my family. I could get the basics, like the county social service agency knew my son and I needed food stamps, so I did get that, but there was nothing else. My social service case worker knows that I have trouble with my memory, so I forget dates and miss deadlines. The case worker should know how to work with people with memory issues. At times I have been taken advantage of because of my short t term memory issues. I have requested a new case worker twice and I have never received one. My ex-husband and I are supposed to draw up plans 30 days ahead of time, but I don't remember those dates and things change, so instead of helping me work through this together and help me, I am without benefits for that month, because I didn't play the game their way.

I have gone through the revolving door of many many agencies. The agencies in Dickinson are satellite agencies and they send me here and there and shuffle me around and around and they all say they have never worked with anyone with a brain injury. No one was able to help me, I am left on my own to try and find help. The other thing I am told by agency workers is that "well, you look fine", so why should we help you. I need services; I need help in coordinating all the aspects of my life. I have tried telling people what I need and they have failed me over and over again.

The purpose of my testimony here today is to attest to the need for brain injury resource facilitators in the state of North Dakota. People with brain injuries are not able to speak for themselves. Those of us with brain injuries have a hard time coordinating our schedules. We forget to make appointments and if we make them, we forget to go to them. I suffer from mental fatigue as well I have been totally abandoned by society. Living with a brain injury is isolating – I am the

person that was forgotten. When I was at the agency asking for assistance, I got nothing. I reached out in the only way that I knew how and not one single person has been there to help me. People made a conscious choice not to listen and not to help me.

Some of the services that I could have benefited from were programs through Social Services, Protection and Advocacy, Domestic Abuse and Rape Crisis Center as well as the Dakota Center for Independent Living, Community Options and Vocational Rehabilitation. The agencies in Dickinson do not know how to deal with a person with a brain injury, including the Dickinson police force. If this can be so easily done to me then we know that it can just as easily be done to one of your family members. Unless you have someone who can speak out for you on your behalf or make sure that you are being treated fairly, you are left to fall through the cracks of all the agencies.

If I could have a resource facilitator manage my case, it would help with the overwhelming feeling of trying to manage life over all. My appointments could be coordinated, my activities, my schedule, I need help managing all my medications. It is hard for me to coordinate my daily schedule. Scheduling is a big monster for me. I am attempting to work 5 days a week on a part time basis, I have my minor son every other weekend, I try to find time for myself and get the rest that I need. Also with scheduling there are my appointments that need to be coordinated. Looking forward and back is difficult for me. I would like to have a social life, but I am too exhausted and overwhelmed with life. Making sure I get to my son's school activities is also something that I need to schedule. After receiving the blunt force trauma to my head my husband left me there with no remorse and not the least bit concerned for me. Part of my problem is that I don't remember everything, but I remember watching him and I remember how I felt. Part of me doesn't want to remember this event, but the other part of

me wants to tell my story so that you realize the impact that a brain injury can have on an individual. My husband's actions were that it was just a normal day and nothing ever took place. I have lost complete control of my life and I am just left to ride the wave of the unknown. I know that there is a God and that is what I had to draw from, because I had no other support. Of everything that was wiped out in my memory, I still knew that there was a God.

Thank you for listening and to my testimony. If you have any questions, I will do my best to answer them for you.

attachment (7)

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 21, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Nancy McKenzie, Public Policy Director for Mental Health America of North Dakota (MHAND). I am here today to speak in support of HB1012.

MHAND is very supportive of the further development of community-based services for individuals with mental illness and/or substance use problems that this budget proposal includes.

We believe many of the components of this budget will continue to strengthen access to services that are much needed by this population:

- In the area of capacity, we are pleased to see the addition of crisis residential, transitional living, and long-term residential beds in various regions of the state. This will strengthen the local care continuums, allowing individuals to have avert hospitalization or have shorter hospital stays; and, will provide support for a longer period of time to allow individuals to have assistance in adapting to gradually more independent living. North Dakota has positively added community services over time, and we encourage continued development in this direction.
- Funding for additional case management services and temporary staff in the Southeast Human Service Center (SEHSC) region is a positive response to capacity issues there. We anticipate that this additional support will be helpful in the continuing effort to decrease inpatient hospitalizations, a large number of which occur in this region.

We would also like to speak to our very strong support of the additional funding for Peer Support services in HB1012. As you are aware, Peer Support is an established evidence-based practice within the Recovery Model. As such, it is backed up by research and predictive of success when followed as designed.

The North Dakota peer support brochure says: "Peer support is a structured relationship where a trainee Certified Peer Specialist who has gone through recovery assists others with mental health issues to identify and achieve life goals as part of their own recovery process." Peer support is a vital adjunct to a strong recovery model, and the ability to enhance this service is important in the overall continuum in North Dakota.

There are many reasons why this is an excellent investment:

- Peer support has been identified as one of the ten essential components of recovery, and an essential element of an environment conducive to community integration;
- Over 25 studies have shown the efficacy of peer support in terms of improved mental health, community cost-effectiveness, reduced symptomatology, improved coping skills, increased medication compliance, reduced hospitalizations, increased consumer satisfaction;
- Peer support not only gives people with serious mental illness a voice, but also an opportunity to use their experiences as strengths as opposed to weaknesses, changing in role from helpee to helper and creating a social network.

Examples of cost-effectiveness noted in various studies include:

- Consumers using peer specialist cost the state, on average per year, $997 versus the average cost of $6491 in day treatment (Georgia, 2006);

- Follow-up re-hospitalization rates of individuals with peer matches was significantly less than that in the two years prior. Individuals who previously were re-hospitalized an average of 60% of the time, were re-hospitalized just 19% of the time when peer support was in place (National Health Data Systems study); and,
- Utilizing peer specialists for respite services was able to reduce involuntary hospitalizations by 32%, leading to significant savings (OptumHealth analysis of Pierce County, WA services).

Peer support is also beginning to be recognized as an area of emphasis to transform the behavioral health workforce and prepare for anticipated workforce shortages. Many grant funding resources are also requiring active peer involvement in programs applying for assistance.

North Dakota's peer support program is in place across the state now, with active services in the eight regions and also at the North Dakota State Hospital. At a point in time last month, there were 52 individuals receiving this service; several more also were involved during the year. Additions to the budget would allow more consumers to receive this valuable recovery service, as well as providing increased opportunity for individuals to work as Peer Specialists.

MHAND strongly urges the committee's support of HB1012. I appreciate the opportunity to speak with you today, and would be happy to answer any questions you might have. Thank you very much.

Attachment 8

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 21, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Shiobhan Deppa, representing the Consumer Family Network (CFN) of North Dakota. I am here today to speak in support of HB1012, particularly the additional funding for Peer Support services.

The CFN is dedicated to ensuring that the mental healthcare system of North Dakota, including community recovery support programs, is consumer and family driven. Our Council and members are actively involved in efforts to improve the care system and strengthen its focus on recovery.

Peer support is a critical part of the services available to people who need help in order to live in the community. Certified specialists are "matched" with clients, and help them in such areas as skills teaching, social/emotional support, recreation, advocacy, and linking with other resources

Studies have shown that these services are cost-effective, but most importantly, people experience the recovery they deserve. Wellness and recovery must include not only the meeting basic physical needs, but also self-esteem and acceptance. Peer support services help meet these needs.

The most effective outcome information is probably that provided by clients themselves. Following are statements made by clients in our state who receive peer support services:

- "Being able to sit down with peers in a safe environment and discuss our situations and life experiences is extremely helpful in being able to function day to day.

- Peer support is teaching me the tools to help others. I have gone through a lot in my past and want to help other people who are living difficult lives. I can help people stop suffering just by being there and supporting them.
- Since I have been going to peer support at the recovery center I have been able to turn my life around. I am in recovery now, I still have downfalls but thanks to these wonderful people who care about us and are willing to listen, I can get back on my feet again.
- I am a Certified Peer Specialist and I enjoy my job and being able to help others. I have learned so much since we started and my life has improved as I continue to learn more about recovery. I see how important it is to give back and help others who are struggling because it is making me a stronger person.
- Peer support has helped me to keep my job. I used to get frustrated with my job or my boss and quit. My Peer Support Specialist has helped me to learn to talk to my boss and talks to me when I am frustrated. I have been working at the same place for over a year now."

As this shows, peer support is an important part of North Dakota's mental health system of care, helping people to achieve recovery.

In closing, the Consumer Family Network of North Dakota asks for your support of HB1012 and the additional funding for peer support services.

Thank you for hearing my testimony today; I would be happy to answer any questions.

Attachment (9)

House Appropriations – Human Resource Division
Representative Pollert, Chairman
House Bill No. 1012
January 18, 2013

Chairman Pollert 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 am testifying in support of HB 1012 and would like to comment briefly regarding the need for Mental Health Services in North Dakota.

The need and demand for mental health services at the Human Service Centers and State Hospital continues to grow and become more complex. It is critical that the Department be given the resources to develop and maintain a continuum of services that ensures individuals receive appropriate care and services in the least restrictive setting.

We ask you to approve funding requested for additional crisis beds, transitional living beds, and long term residential. In addition, we support funding requested for services such as MI adult case management and the Partnership Program for children's mental health. P&A is very concerned that individuals end up in inpatient care due to a lack of sufficient community resources and services. We applaud the Department of Human Services for recognizing and moving to address this issue.

Funding has also been requested for Peer Support Services. We believe this is an important and cost effective way to build community supports for people with serious mental illness and improve psychological and clinical outcomes. It is an important component in the continuum of services that should be funded.

This concludes my comments and I would be happy to answer any questions the committee might have. Thank you.

Attachment 10

Testimony
House Bill 1012 – Department of Human Services
House Appropriations Committee
Human Resources Division
Representative Chet Pollert, Chairman
January 21, 2013

Chairman Pollert, members of the House Appropriations Committee, Human Resources Division thank you for the opportunity to provide commentary on House Bill 1012 – Department of Human Services' budget for the 2013-2015 biennium.

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. Our mission is to ensure that children and adults with an intellectual and/or a developmental disability have the supports, benefits, and services they need, and are accepted, respected and fully included in their communities.

The North Dakota Department of Human Services budget relative to developmental disabilities and community services is a good budget. We would like to see it adopted as presented along with other critical items that were not funded or funded at a lower level than needed.

Please consider the following:

1. HB 1012 adds funding for providing 4 percent inflationary increases to human services providers for each year of the biennium. We are asking you to approve these increases.

In addition, we are asking you to approve a $1.00 per hour wage pass-through to staff working in developmental disability services and for a 3% increase in the benefit multiplier to cover the increasing costs of their health insurance.

We would also encourage you to fund a wage differential increase of $500 per month per FTE for developmental disability workers in the western part of the state to help offset the cost of housing and other increases in the cost of living.

The North Dakota legislative effort to increase staff wages and benefits for developmental disability program staff is commendable and should be continued.

A well-trained, adequately compensated workforce is essential to providing the necessary supports and services to our constituents, who constitute a very vulnerable population. Higher wages reduce staff turnover and is correlated with an increase in the quality of services.

For thousands of people with a developmental disability, the key to living successfully in the community is the support they receive from a developmental disability service provider.

DD service providers assist people with disabilities with medications, preparing and eating meals, dressing, mobility, and handling daily affairs. Their work can be very demanding and difficult. Many workers find that they can earn higher hourly wages, and receive better benefits,

in far less demanding jobs. As a result, people with disabilities experience staff turnover which is very disruptive to their lives or they find themselves unable to get workers at all. Unable to obtain adequate assistance, people with disabilities find their health and safety at risk.

An adequately compensated workforce will increase the pool of available workers and improve recruitment and retention and supervision to better serve individuals with disabilities.

2. Add funding to Increase the Personal Care Allowance for individuals who reside in basic care facilities and for people with an intellectual disability living in an intermediate care facility from $85 per month to $100 per month.

We are asking you to increase the Personal Care Allowance from $85 to $100 per month for people living in a basic care facility and for people with an intellectual disability living in an intermediate care facility. The importance of the Personal Care Allowance for people living in these facilities cannot be overstated; it directly impacts the quality of their life.

Residents need this allowance to fulfill various personal needs such as clothing, individual preferences on personal care items, social support (telephone, stationery, etc.) and occasional outings. In our consumer-oriented society, it is important for residents to have an adequate monthly Personal Care Allowance to be able to participate on the most basic level. This is particularly true for residents who are isolated and have no family or friends to purchase personal items.

3. Increase funding for Individualized Supported Living Arrangements (ISLA)

It has been called to our attention that there is a lack of funding for Individualized Supported Living Arrangements for people with intellectual and/or developmental disabilities. ISLA is a preferred residential service model to the traditional group home model for many individuals and their families. The lack of funding for ISLA services has frustrated families and has contributed to living arrangements that are not optimal to the person receiving services. The lack of adequate funding for ISLA services is a long standing problem that needs to be fixed and we strongly encourage you to fund ISLA services at the level that is needed.

4. Add $179,379 in funding for Developmental Disability Corporate Guardianship Services.

The majority of people with intellectual and/or developmental disabilities can manage their own affairs with informal assistance and guidance from family, friends, and others. However, in some instances it is necessary to have access to alternatives, such corporate guardianship services.

Guardianship services can help people manage their medical care, assist with financial and legal matters, help determine a place of residence, etc. This is a valuable service for those who need it. The additional funding will help alleviate the current waiting list for services.

5. Children's Medically Fragile Waiver – decrease in spending by $177,492

We are concerned about the decrease in funding in the Children's Medically Fragile Waiver.

Life-long caregiving for an individual with a disability or a serious medical condition, without support or assistance, has long-term negative economic, health, and social impacts on the well-being and quality of life of families.

In addition to sacrificing employment opportunities for their caregiving roles, many families incur significant expenses. In 2009, families spent an average of $6,300 on out-of-pocket family support expenses that were not reimbursed by formal programs.

6. Support Transition to the Community Task Force Recommendations

Transition efforts at the North Dakota Development Center have been in place for a number of years. This efforts was intensified by legislation in the 2005 session that required the Department of Human Services to transition appropriate individuals (we feel all people are appropriate) to the community.

The Transition to the Community Task Force chaired by Alex Schweitzer, Superintendent of the North Dakota Developmental Center has agreed on a transition target for July 1, 2013 for a maximum of 67 individuals residing at the Center.

We encourage your oversight and legislative support to meet the transition goal by adequately funding community DD providers so they can support people in community settings.

Thank you for your consideration.

I would be happy to respond to any questions you may have.

Dianne Sheppard
Executive Director

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Attachment 11

TESTIMONY
House Bill 1012 – DHS / DD - LTC Continuum
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 21, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am here today to give testimony on the developmental disabilities section of the long term care continuum in HB 1012

The North Dakota Association of Community Providers is made up of 29 organizations across the state. We represent approximately 6,000 dd staff, 4,900 of whom are Direct Support Professionals, or DSP's. We serve approximately 4,000 individuals with developmental disabilities. Services are most often, lifelong. One way in which we differ significantly from ND nursing homes, is that ninety-nine percent of the typical provider funding comes through the DHS Medicaid budget and less than 1% is private pay.

We are requesting your support in a number of areas of our platform, which I have attached. I will address the wages, turnover, and oil patch add-on for the Williston, Minot, and Dickinson region. Sandi Marshal, Development Homes, will discuss the personal needs allowance and transition. Jon Larson, Enable, will testify on benefits and the new payment system. Larry Bernhardt, Catholic Charities, will discuss the guardianship needs which are under the DD Division operational budget. I have included a flyer with a brief bio of some of the people we support, with information on our legislative request on the reverse side, and a turnover graph.

Wage Increases. We are requesting your support for the Governor's budget, which includes an increase of 4% each year of the biennium. We are also requesting support for a $1.00 per hour increase. The Governor's budget includes $.50 of this request. History: With the support of the 2009 Legislature, developmental disabilities staff received a 6% increase each year of the biennium, along with a $1.00 per hour increase the first year. Current Turnover: This increase, along with strategies put in place by NDACP members, had a profound impact on our turnover, reducing it from an all time high of 51% to 32%, as of 7-1-12, and we are very appreciative of this increase. The 2011 Legislature approved increases of 3% each year of the biennium, without a wage pass-through. While this has stabilized services, 32% is still a very high turnover rate, and we hope it can be reduced further with your support. You will recall from earlier testimony, that the reported turnover for state employees is 11.1%, the turnover for DHS is 12.4%, and P & A turnover is at 24%. Our goal is to reduce our turnover to 20%. Current Turnover Mitigation Efforts: I am often asked what measures NDACP has put into place to help stabilize staff turnover. We have been working hard since the last legislative assembly to implement strategies to impact our turnover. Because the quality of supervision is often cited as a reason people leave employment, we currently offer a mid-management supervisory training opportunity of 36 hours, over the course of six sessions. We have trained over 90 supervisors, to date, and will continue to offer the training, each year. We have developed a DD Human Resource group, a Business Managers group, along with our Trainers and Nurses groups, and will be starting a employment of personal with disabilities group and

specialized training for our QDDPs, all of which allows our staff to share best practices, strategies to retain staff, and improve the quality of services. These groups all meet or will meet, quarterly. The Realistic Job Preview, developed in partnership with the DHS Money Follows the Person grant, is now available to all agencies to use to help us do a better job of hiring the right person. We are also working with the Center for Persons with Disabilities at Minot State. They have long had a high quality module curriculum, with a career ladder which leads to a certificate, an associate's degree, and a bachelor's degree. We requested that they become accredited through the National Alliance of Direct Support Professionals. They have received provisional accreditation on a process which will give a nationally recognized certificate to ND's DSPs. This process was paid for through a grant from the State Council on Developmental Disabilities, with NDACP paying for the grant match costs.

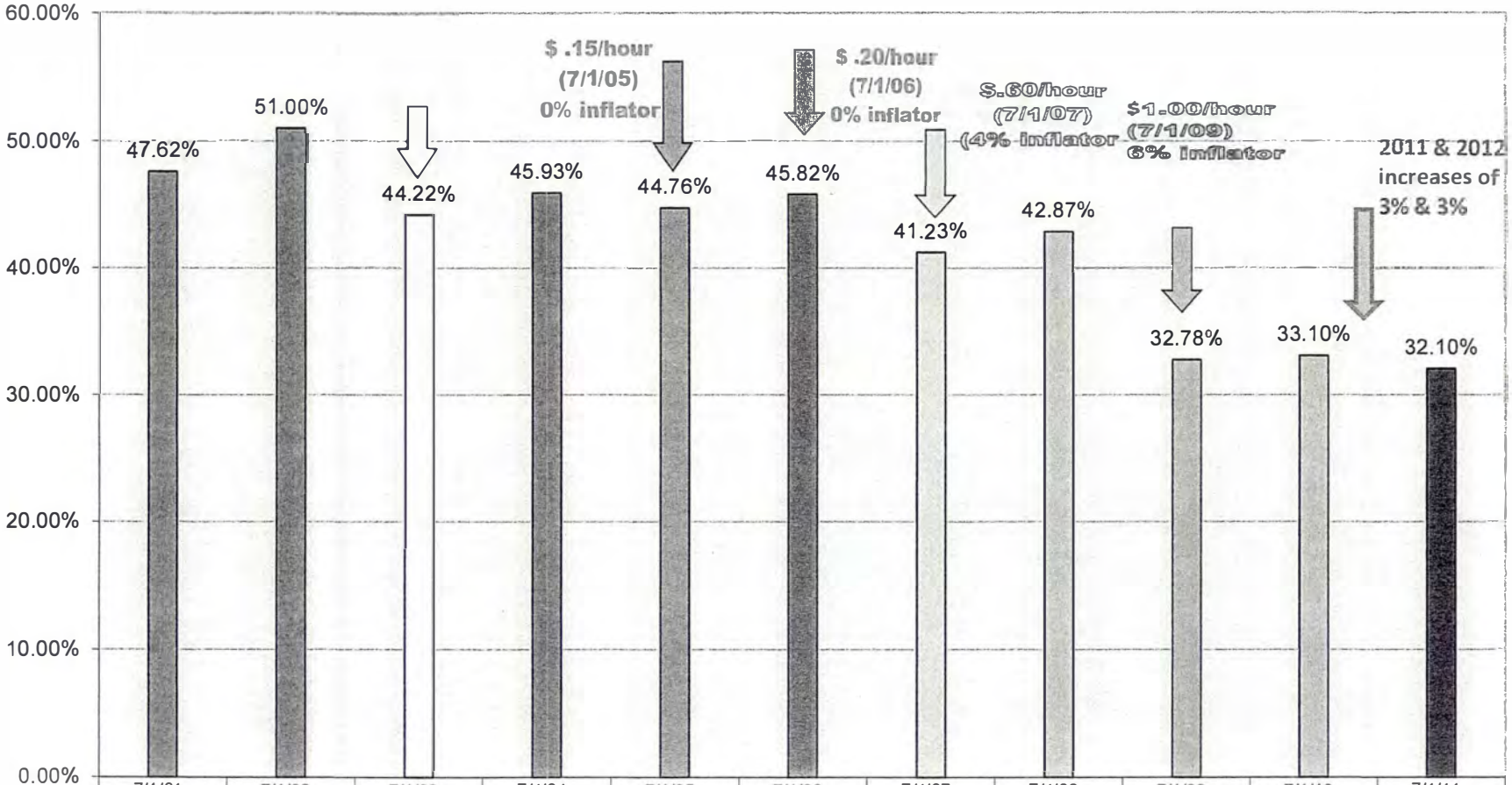
Wages: The average wage in ND one year ago, in November of 2011, according to the Bureau of Labor Statistics, was $42,640. The average reimbursement providers receive from DHS is $15.25 per hour, or $31,720 per year. This amount is used to develop a wage range for new to long term staff. Our current, average starting wage is $12.06. We completed a wage study in November of 2012, and found that the average starting wage of competitors was $15.17 per hour. We look at entry level positions in a broad range of jobs to determine the competitor's wage, and it will include CNAs, teacher aides, fast food workers, shelve stockers, and clerks, etc.

Oil Patch Add-on: In order to retain existing staff, NDACP is requesting an oil patch add-on for Regions I, II, and VIII, which would include providers in Williston, Stanley, Minot, and Dickinson. The add-on would be $500 each month for each FTE of the providers in those areas. We are in the process of determining the number of FTEs of each provider in those regions. Preliminary estimates are that there are 515 FTEs. We estimate that the cost would be approximately $6.3 Million for the biennium. We could work with DHS to get a more exact cost if you are willing to consider this add-on.

An addition piece of information I'd like to leave with you is that we received a grant from the State Council on Developmental Disabilities to produce a video entitled, "I Am A Person." We partnered with Prairie Public Broadcasting on this project. It features individuals with intellectual and developmental disabilities living and working successfully in the community and will dispel myths about people with disabilities being a part of the community. The one hour production will be complete later this week. There will be premiers in Jamestown, Minot, Harvey, Fargo, Wahpeton, and Grand Forks in the next three weeks. The initial PBS broadcast will take place the week of February 18th and will run in ND, western MN, and part of Manitoba. They believe it may be picked up nationally. I would be enthused to set up a viewing for interested legislators over a noon hour, or another convenient time, after I receive the final copy of the production.

Chairman Pollert, this concludes my testimony. I would be happy to answer any questions.

NDACP TURNOVER
FY 2001 - 2012



	7/1/01 - 6/30/02	7/1/02 - 6/30/03	7/1/03 - 6/30/04	7/1/04 - 6/30/05	7/1/05 - 6/30/06	7/1/06 - 6/30/07	7/1/07 - 6/30/08	7/1/08 - 6/30/09	7/1/09 - 6/30/10	7/1/10 - 6/30/11	7/1/11 - 6/30/12
Series1											
Series2	47.62%	51.00%	44.22%	45.93%	44.76%	45.82%	41.23%	42.87%	32.78%	33.10%	32.10%
Series3											

NORTH DAKOTA ASSOCIATION OF COMMUNITY PROVIDERS

Creating Inclusive Communities

Support increases of 4% and 3% to cover health insurance for all employees working with people with intellectual disabilities.

Support a $1.00 per hour equity increase to become competitive with the labor market in North Dakota.

PUBLIC POLICY PLATFORM 2013 - 2015 BIENNIUM

Priority Items:
4% annual inflator for each year of the biennium for all staff.
Wage increase for all staff of $1.00 per hour.
3% increase in the benefit multiplier to cover the increasing costs of health insurance.
Continuation of funding for the new payment system initiated in the last session.
Continued support for transitions from Developmental Center to the community, including increased community capacity.
Continued support for an increase Guardianship slots and rate.
Continued support for an increased personal needs allowance from $85 to $100 and to provide automatic inflationary adjustments.
Increase of $500 per FTE to continue service delivery in oil country.

We are more than 6,000 employees in North Dakota living in 110+ communities who provide support services for thousands of people with intellectual and developmental disabilities. Our average employee is mid 30's and has a family to support.

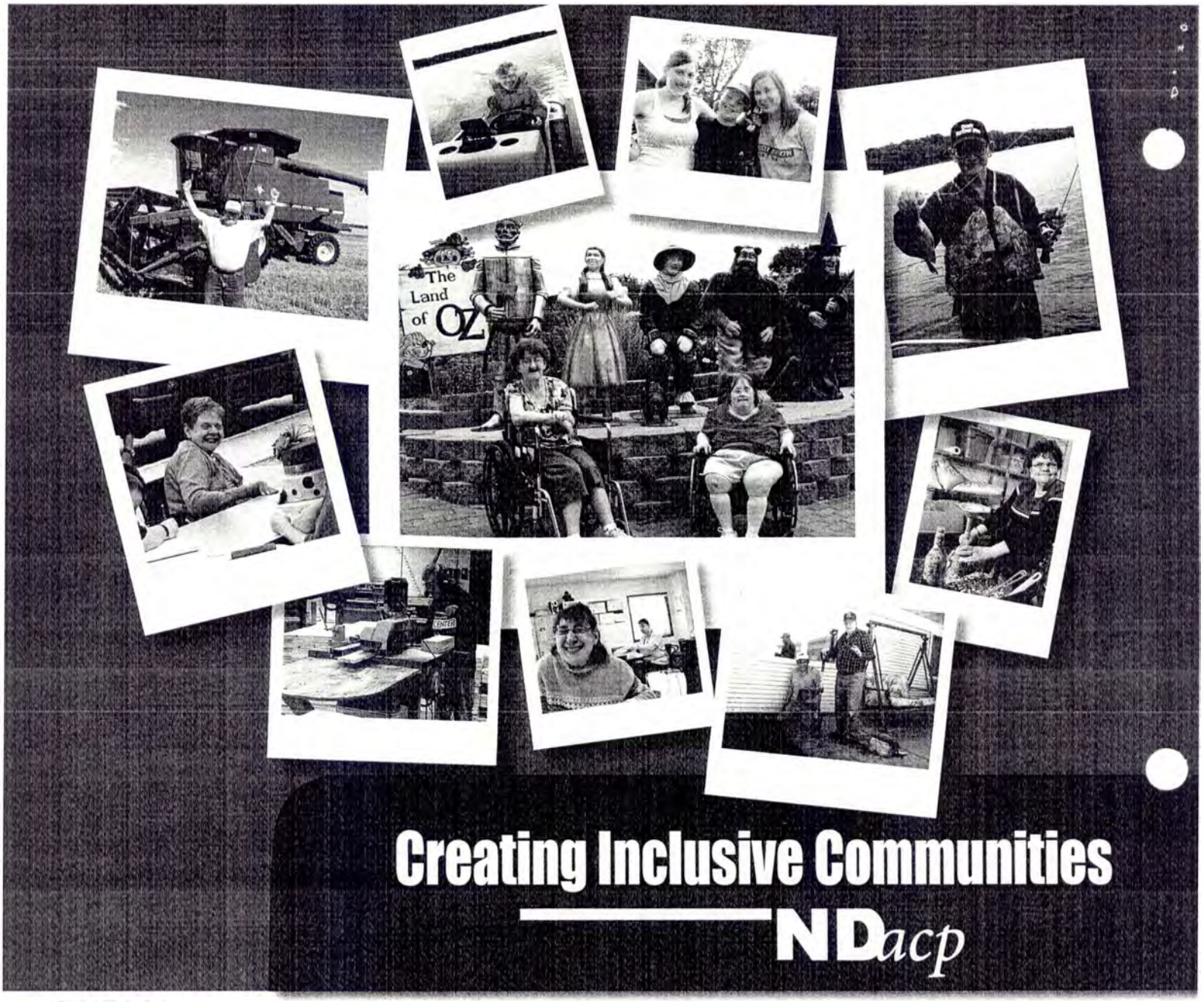
Our goal is to continue providing quality and consistent support for people with disabilities. Providing competitive wages will enable us to decrease employee turnover leading to better outcomes for the people we support. With your support, turnover has decreased from nearly 50% to 32%. However, that continues to be unacceptably high.

Annual Wage Comparison

Average Yearly Wage in ND - 2011	**$42,640** Bureau of Labor Statistics Nov 2011
Average Yearly Wage in ND - 2012	**$49,000** simplyhired.com 12-18-12
Average Yearly Reimbursement for DD Providers	**$31,720** DHS reimbursement $15.25/hr 7-1-12
Average Starting Wage for Competitors	**$15.17 per hour** Nov 2012
Average Starting Wage for DD Providers	**$12.06** Nov 2012

Increase Needed **$ 1.00 per hour**

Current turnover rate for DD providers is 32%.



Creating Inclusive Communities

NDacp

Top-clockwise

- Woman driving pontoon-Molly Regan, age 81, enjoys an active, engaged life, including taking a turn at driving the pontoon at Camp Confidence. Molly lives in a group home operated by Development Homes, Inc. in Grand Forks and does volunteer work in the community.
- Right in blue shirt, wearing cap-Mason Thane is an active 14 year old who lives at home with his grandparents, Russell and Betty Thane. He enjoys playing Wii, spending time with friends, going to school, and attending Special Olympic events.
- With the support from Community Living Services and Red River Human Services, Ervin Peterson has worked at Mom's Kitchen in Fargo for the past 12 years, and loves fishing, camping, and riding his bike.
- With the support of friends and family, Doris was able to own and operate her own soup business called Doris' Gourmet Soup. Most of the beans in her soup mix are locally grown here in the Red River Valley of North Dakota. Doris is supported by Friendship, Inc. out of Grafton, ND.
- Pius assists with the landscaping at HAV-IT Services in Harvey, ND.
- Pink Sweater-Jacqueline DeVillers lives at home with her parents in Wahpeton. She receives Family Support Services and Supported Employment. Jacqueline is a very social and caring person who loves spending time with her family and attending her nieces' school functions. Jacqueline's favorite place to eat is McDonalds. She will be the first to tell you their fries and burgers are the best!
- The woodshop at the Vocational Training Center in Fargo provides employment opportunities.
- Woman by cake-Nina Anderson is a 68 year old female residing in an ICF/ID home.
- Man by farm equiment-Born and raised in Harvey, Pius continues to enjoy visiting local farmers during planting and harvest season.

Center Picture

- (L) Isabelle Schaff, aka "Izzy," has lived in Wahpeton since January, 2006. She enjoys talking about her experiences in her life, cooking and traveling. She is a great story teller and can rattle off her favorite recipes by memory.
- (R) Darleen Paulson has lived in Wahpeton since August, 1995. She enjoys visits with her sisters, looking at magazines, and anything to do with Hallmark. Darleen is pictured on a summer vacation to Storybook Land in Aberdeen, SD, with her roommate Izzy.

Attachment (12)

Created on 1/15/2013 8:36:00 AM1
Good Afternoon:

Mr. Chairman and committee members: my name is Diana Bales. I testified in March about the rate of pay for Foster Home care. I need to apologize to the committee, some of my numbers were wrong. I believed what I was being told by the agency that I was working with (I was naive). I don't do this work for the money, but the state was paying the agency much more then the agency told me: the tickle down effect never reached me. I have learned a lot since that time and my education was painful and stressful. I have been a foster mother for 16 years and never had a problem, never been written up, never had a complaint against me. After my testimony in March the agency decided that the ladies I had in my home were going to move to an ISLA apartment. (odd timing)
The agency got them to agree by giving them sugar cookies and saying sign here. The ladies are both maids, and work with a work crew, cleaning motel rooms, the ladies thought they were agreeing to clean the apartment that the agency was showing them. The CEO of the agency told, the father of one of the ladies that he had no say over her care since she was her own guardian. (Her father has looked out for her for 53 years) They made this decision without the county DD case manger or me present. (I haven't missed a team meeting in 16 years this one, was held without either of us present or being invited to attend.) One of the family members was told that there was an apartment available, and the state money as well, so the decision was made to move the ladies. The agency never consulted the families about what they thought of this scheme, one of the ladies has been in my home for 16 years, she shouldn't be taken out of her <u>home</u> because an

agency has an apartment available and there is money from the state available. The clients are not cash cows, but *people.*

Since that time I am now under a whole new arrangement with the State of ND, my client is now under Medicaid weaver, which was done so she could stay in my home. Her father had to go to court, become her legal guardian along with her brother. It was a mess and very expensive. Some of the providers are going to lobby for more funds to put clients into LSLA apartments which is fine, **BUT** the state should use some of that money to hire survey professionals and give them the **power** to go into these agencies **at will**, look very closely at what is going on, talk to families, check the books carefully, check and sit in on the team meetings and check out the social workers, the bookkeepers, especially the software and bank accounts of the clients and the agency, (all the Accounts) every area of the company needs to be accountable. I know there are survey teams in place but there should many more with more power. These agencies had the best intentions in the beginning, their boards were made up of parents, grandparents, brothers, sisters and clergy but some have evolved into mega corporations, now the boards are made up of bankers, lawyers, accountants, and business majors, they make the client work for the system: when the system should work for the client. These are not manufactured widgets we are talking about, but the least of our brethren. Thank you so much for your time. If you have questions I will do my best to answer.

Created on 1/15/2013 8:36:00 AM3

Diana Bales
615 north 21st ST,
Bismarck ND 58501 701-223-5044

Attachment 13

Testimony on HB 1012
Human Resources Section
House Appropriations Committee
January 21, 2013

Chairman Pollert 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 intellectual disabilities in Bismarck and Mandan. I am also here today to testify on behalf of the North Dakota Association of Community Providers (NDACP).

First of all, I would like to express my appreciation to this committee and to the entire legislative body for their continued support of services to people with disabilities. North Dakota provides its citizens with disabilities an excellent array of services and supports that meet national accreditation standards and are recognized by many experts as some of the best in the country.

I would also like to express my appreciation to Governor Dalrymple for recognizing many of our needs in his executive budget. Although we are here today to request some additional appropriations, we are pleased that he included an inflationary rate of 4% for each year of the biennium, $.50 an hour for our staff, and increased funding for the corporate guardianship program.

Over the past few years, North Dakota has experienced rapid growth which has brought about a lot of change in all areas of our lives. Never before has the competition for qualified employees been so intense. This need for good employees is more extreme in the Western part of our state but the effects of our good economy impacts all areas of the state as evidenced by Bismarck and Fargo having the lowest rates of unemployment in the nation. This competition for employees affects all segments of our economy but as DD providers our ability to respond to changing market conditions is limited by our level of reimbursement.

One tool for maintaining a quality workforce is to provide an attractive employee benefit package. We are concerned about our ability to continue to do this. DD providers are

given an allowance of 33% of approved salary dollars to provide benefits for our employees. From this 33%, DD providers must pay several mandatory benefits such as FICA taxes (7.65%), Workforce Safety Insurance, and Unemployment Compensation. This leaves approximately 20% of approved salary dollars to pay for "optional" benefits such as health insurance and pension plans. The rapidly rising cost of health insurance, often increasing over 10% a year, over the past several years, has dramatically affected the health insurance coverage our employees receive. The cost of health insurance alone can be as much as 40% of the wage of some of our direct support professionals. DD providers have been forced to increase deductibles, co-insurance amounts and to shift ever larger portions of the premium to their employees. This problem, of course is not unique to DD providers, but our reimbursement system limits the amount available to pay for these increasing costs.

We are asking that you consider adding 3.0% to our fringe benefit allowance to stem the steady erosion of health insurance benefits to our employees.

Our concern about our ability to stay competitive with our benefit package is amplified by the implications of the Affordable Care Act. Cost estimates of the impact on our budgets for implementing the Affordable Care Act are difficult to accurately project at this time but we are deeply concerned about the impact on our budgets and our ability to maintain an attractive benefit package. We are working on assessing the size of this impact on DD provider agencies.

In 2011, Senate Bill 2043 directed the Department of human Services, in conjunction with DD service providers to develop a prospective or related payment system with an independent rate model utilizing the Support intensity Scale. As directed, a steering committee was formed, a consultant was hired, and we have been working diligently with the Department of Human Services to create a system that meets all the requirement set forth in that bill.

The steering committee soon realized that creating a new payment system was a very complicated task. Department of Human Services staff and DD provider staff on the

steering committee have worked cooperatively to gather all the data and to do the analysis that is required. I am very pleased that this has been a very open and transparent process and providers have had ample opportunity for input.

The steering committee, along with our consultant, has met on a monthly basis in an open meeting format to discuss all the issues that must be decided in making such an important change. Several tasks have been completed and we are beginning to analyze the impact some of the proposed changes will have on individual providers and the system as a whole. There is much that remains to be done but we are optimistic about the what these important changes will mean for our service delivery system.

The North Dakota Association of Community Providers asks for your continued support of this important process.

Again, thank-you for your continued support and for this opportunity to talk to you today. I would be glad to answer any questions you may have.

Jon Larson, Executive Director Enable, Inc.
North Dakota Association of Community Providers (NDACP)

Attachment 14

House Appropriations – Human Resources Committee
Testimony on House Bill 1012
Representative Chet Pollert – Chairman
January 21, 2013

Chairman Pollert and members of the House Appropriations – Human Resources Committee, my name is Larry Bernhardt and I am the Executive Director of Catholic Charities North Dakota (CCND) and I am respectfully asking your committee to approve increased funding for corporate guardianship services for people with developmental disabilities.

The provision of corporate guardianship services for people with developmental disabilities is a tremendous responsibility as it demands a continuous commitment to help our wards achieve stability and improve their lives. Always, it is our court appointed duty to make complicated, life changing decisions that balance the best interests of the ward while safeguarding the ward's personal autonomy. As corporate guardians, we have an obligation to provide our wards the best services possible when making difficult and complex medical, residential, legal, vocational, educational or financial decisions. Our funding request has three (3) priorities:

1. Additional openings/slots to eliminate the extensive waiting list of vulnerable people with developmental disabilities who have unmet guardianship needs.
2. An increase in the funding for petitioning costs.
3. A daily rate that is a direct reflection of the costs associated with the resources (i.e., staff and staff time to manage the workload/caseload, benefits, facilities, equipment, supplies, mileage, etc.) that are needed to provide quality services on behalf of our wards.

Additional Openings

We are very grateful that the Governor's proposed budget for DHS includes the Optional Adjustment Request for 30 additional openings/slots for corporate guardianship services. It is extremely distressing when a person with developmental disabilities is at risk of or is actually experiencing harm from abuse, neglect or exploitation but must be placed on a waiting list. In March 2012, our corporate guardianship program reached its capacity of 414 and a waiting list was initiated. When we submitted our funding request to the Developmental Disabilities Division/DHS in July 2012, our waiting list included the names of 45 individuals and we were

comfortable that the 30 openings would be sufficient. As of 12/31/12, our waiting list had expanded to 60 people and the 30 requested openings/slots will be inadequate. We are asking for an increase of 10 additional openings/slots to insure that we can serve the referrals by Developmental Disabilities Program Managers in a timely manner.

Please note that even though we currently have a waiting list, we want to assure you that if a person with developmental disabilities is in an imminent life-threatening situation, we immediately accept that referral and provide guardianship services once the court makes that appointment.

Petitioning Costs

Again, we would like to express our appreciation that the Governor's proposed budget for DHS includes the Optional Adjustment Request for an increase in funding for petitioning costs connected with the 30 additional openings/slots. Adequate petitioning funds are critical as they go hand in hand with the request of additional openings to eliminate the long waiting list. Without sufficient petitioning funds, a number of people who are on our waiting list will not be able to access our services because they can not afford to pay the petitioning costs associated with the establishment of a guardianship. We are requesting funding for the petitioning costs related to our request of 10 additional openings.

Daily Rate

Our corporate guardianship program is reimbursed $6.71 per day/per ward through our contract with the Developmental Disabilities Division/Department of Human Services. We are requesting that our daily rate be increased to reflect the actual costs of meeting the complex guardianship needs of our wards on a daily basis and providing the required services. It is critical that our services are structured to allow guardianship workers the ability to effectively manage needs of each ward and the workload associated with their caseload. Catholic Charities North Dakota is accredited by the Council on Accreditation (COA) and our guardianship program must meet COA's Adult Guardianship Standards. COA recommends a staff to client ratio of 1:20 (See **Attachment A** for applicable COA Standard). This recommendation was echoed by Winsor C. Schmidt. Mr. Schmidt, a faculty member of the University of Louisville -

School of Medicine, was contracted by Legislative Management to conduct a comprehensive study of guardianship services for vulnerable adults in North Dakota. On May 30, 2012, Mr. Schmidt provided his final report to the Interim Human Services Committee. Mr. Schmidt stated that there is a definite unmet need for guardianship services in North Dakota and part of his recommendations were to provide staff to client ratio to 1:20. As of 12/31/12, the average caseload for our full-time guardianship workers is between 35 and 36 wards, however given the services provided by other professionals or team members for the clients with developmental disabilities, we believe to meet the needs of our wards and for our guardianship workers to effectively manage their workloads, a ratio of 1:34 wards is needed (See **Attachment B**). To achieve a staff to ward ratio of 1:34 and to reflect our actual cost of service, our daily rate must be increased by $0.87 for Year 1 of the biennium and $0.90 for Year 2.

In closing, I respectfully ask for your support of funding for corporate guardianship services as outlined in HB 1012 and the following increases:

10 additional guardianship openings/slots (10 x $6.98 x 365 plus 10 x $7.26 x 365)	$ 51,976
Petitioning costs for 10 additional openings (10 openings x $1,081 average cost per case)	$ 10,810
Actual cost of service and staff to ward ratio of 1:34 (Difference between requested daily rate and current daily rate): **Year 1: $7.85 - $6.98 = $0.87; $0.87 x 454 wards x 365 days = $144,168 **Year 2: $8.16 - $7.26 = $0.90; $0.90 x 454 wards x 365 days = $149,139	$293,307
Total	**$356,093**

With your help, the good and necessary work of the corporate guardianship program can continue to provide persons with developmental disabilities the appropriate level of protection while fostering the highest degree of independence and self-growth possible. Thank you for the opportunity to stand before you today and I would be happy to try to answer any questions you may have.

Attachment A

Council on Accreditation

Adult Guardianship Standard 7: Frequency of Contact

AG 7.02 - Guardianship workers are able to effectively manage their workload, and cases are assigned according to a formalized system that takes into consideration:

a. the identified needs of the service population;
b. the complexity and status of the case such as the individual's living situation, the type of guardianship being provided, or the existence of complex medical conditions;
c. size of geographical area covered;
d. the qualifications and competencies of the worker and the supervisor;
e. services provided by other professionals or team members such as bookkeepers, guardian assistants, and volunteers;
f. other organizational responsibilities; and
g. applicable legal requirements.

Interpretation: Workloads should meet the organization's established caseload policies and ensure that workers are able to provide appropriate support and timely decision-making for the individuals on their caseload. The organization should be able to justify established ratios based on the above criteria and demonstrate how it ensures appropriate, high-quality care is being provided to each client. When an organization assigns teams of professionals to carry out different responsibilities for each case, all full-time professional staff may be counted when determining the staff-to-client ratio. Research Note: Studies of public guardianship programs have found that lower staff-to-client ratios are associated with improved outcomes and recommend a 1:20 ratio to eliminate situations in which there is little to no service being provided.

Attachment B

Corporate Guardianship Workload/Caseload Information

In 2009, we developed the following list of workload issues that contribute to the need to have a caseload ratio of 1:34. We stressed these points in our testimony at the 2011 Legislature and they remain true:

- Since 2002, our corporate guardianship program has seen an increase in the behavioral, psychiatric, chemical dependency, sexual health, legal and supervision needs of our wards. This places heavy demands on our guardianship workers.
- From 7/1/99 to 6/30/00, our guardianship program had no wards between the ages of 18 to 24. From 7/1/11 to 6/30/12, we served as guardian for 51 wards between the ages of 18 to 24.
- Wards in this age group of 18-24 typically have needs that are very time intensive because of psychiatric concerns, behavioral difficulties, alcohol/drug use, sexual health and legal issues. Because of complex needs, frequent team meetings are the norm as well as frequent face to face visits. Guardianship workers can expect numerous contacts with psychiatrists, psychologists, physicians, family members, attorneys, landlords and law enforcement.
- During the past several years, there has been a significant increase in the number of family members who are upset that the courts have appointed a corporate guardian for their son, daughter or sibling (all ages not just the age group of 18 to 24). Disgruntled family members place a high demand on our guardianship workers in terms of time, effort and energy.
- The overall complexity of all cases has changed a great deal during the past 25 years. Twenty-five years ago, the majority of our wards resided at the Developmental Center, nursing homes or group homes. Since that time, the shift has been to Individualized Supported Living Arrangements (ISLA), Supported Living Arrangements (SLA), Transitional Community Living Facilities (TCLF) and Minimally Supervised Living Arrangements (MSLA) which translates to more independence and decreased supervision. The shift to increased independence results in more personal autonomy but also more exposure to sexual exploitation or abuse, financial exploitation and abuse, self neglect or abuse and legal problems. Again, this places more demands on our guardianship workers' time.
- During the past decade our accreditation agency (Council on Accreditation) has dramatically increased our paperwork requirements to document accountability and the quality of our services.
- Medicaid changes, special needs trusts, tribal trusts and other complicated financial activities have placed considerable responsibilities on our guardianship workers as they must spend numerous hours completing research before a decision can be made.

Guardianship workers regularly tackle the above mentioned issues but please keep in mind that they are also carrying out their regular duties for their entire caseload. Those duties include:

- Maintaining on-going personal contact with each ward. COA Adult Guardianship Standard 7 specifies that caseload size should support regular contact with individuals and the achievement of desired outcomes. The Adult Guardianship Standard, as well as our GD Policies, state that our guardianship workers must complete face-to-face visits no less than once per month and more frequently depending on the ward's needs, circumstances and court orders. Visiting, communicating with and getting to know our wards is our most important responsibility as a guardian.
- Making difficult and complex medical, psychiatric, end of life, residential, legal, vocational, educational or financial decisions on behalf of our wards. Guardianship workers spend a great deal of their time gathering input/information from our ward, the ward's team members, family members, medical professionals, Developmental Disabilities (DD) Program Managers, residential service providers program coordinators, etc., before making a decision on behalf of the ward.
- Attending meetings and participating actively as a member of the ward's inter-disciplinary team and advocating for the welfare and best interests of each ward and his/her rights.
- Maintaining case records and giving special attention to sustaining the Agency's accreditation status.
- Completing concise but thorough annual reports to the court regarding each ward.
- Performing on-call and back-up on-call responsibilities on a rotation basis for one week at a time, 24-hours per day.

Attachment 15

Testimony
House Bill 1012 – Department of Human Services
House Appropriations Committee, Human Resources Division
Representative Chet Pollert, Chair
January 21, 2013

Chairman Pollert, members of the Human Resources Division, I am Sandi Marshall, President of the North Dakota Association of Community Providers (NDACP), and Chief Executive Officer of Development Homes, a large non-profit DD provider agency in Grand Forks. Thank you for the opportunity afforded to NDACP to provide information today relative to the needs of our industry, on behalf of both the people we serve and the many citizens of North Dakota that we employ to provide those services.

First, I would like to recognize the significant increases in your support of this industry during the recent legislative sessions. These funds have gone a long ways towards addressing the costs associated with the staffing and program needs of our most vulnerable citizens, and represent a real commitment to quality and humane supports.

I would like to address two items in the NDACP platform; funding for continued community capacity building to accommodate further transitions out of the Developmental Center, and funding to increase the Personal Needs Allowance for individuals who reside in Intermediate Care Facilities for the Intellectually Disabled.

The 2005 legislature required the Department of Human Services to work with the DD provider community to develop a plan for further deinstitutionalization. The resulting Transition to the Community Task Force has continued to plan for the movement of individuals into community life, including implementation of a Centralized Project Team mechanism. Through this process, DD provider agencies can propose projects to develop community capacity that are geared around the needs of small groups of people residing at the Developmental Center. Several providers have and continue to propose such projects.

NDACP supports the funding included in the Governor's budget for the Department of Human Services to serve additional people being placed out of the Developmental Center during 2013-2015. It is anticipated that the number of people being served at the Center will decrease to no more than 67 adults in the ICF/ID units, down from the current number of 85.

We support the projections for caseload growth in the DD grants budget to accommodate 10 new adult clients from the Center into the community in the coming biennium. This is in addition to the transitions that are planned to occur yet in the remainder of the current biennium.

NDACP also supports the inclusion of funding in the Governor's budget to support a total of 8 children in two new small community ICF/ID group homes. These homes would serve children with behavioral challenges, and would provide options for the group of children who recently moved from the State Hospital to the Developmental Center's youth transition program.

We wholeheartedly support the continued focus on providing community-based living for people with disabilities. We also support the reframing of the purpose of the center from a place where people go to live the rest of their lives, as once was the case, to a safety net for crisis situations, with a goal of transition back to community life. It is a partnership that is mutually supportive of the needs of our most vulnerable citizens.

The second issue I will address briefly is the request to increase the personal needs allowance for individuals who live in ICF/ID's from $85/month to $100/month, and to provide for automatic inflationary adjustments. It is our understanding that the requested increase in the personal needs allowance is currently [redacted] in the Governor's budget.

Typically, the people residing in these facilities have little to no other means of economic support. These funds are used for a variety of personal expenses, such as for clothing, personal hygiene products, personal spending allowances, and for involvement in community activities. The needs are acutely felt in children's homes as they grow and wear out clothing more quickly, and many do not have family able to make these purchases.

The state of the art paradigm in the industry, supported by both Title 19 standards, and CQL accreditation, is one of developing what is called "social capital" in people's lives. In order to do so, people need to be exposed to activities and opportunities in the community, where they can meet and develop relationships with ordinary community citizens. They can then begin to gain important informal supports that help to create a meaningful

quality of life. This is not done without having the personal funds to be able to participate in community activities.

NDACP is appreciative of the legislature's recognition of the citizens we serve and the thousands of people who work in this industry in North Dakota. Our collective quality of life is well-served by supporting all our citizens to contribute to community life. Thank you.

HB 1012
1/22/13 AM
Attachment 1

North Dakota Hospital Association

Vision
The North Dakota Hospital Association will take an active leadership role in major Healthcare issues.

Mission
The North Dakota Hospital Association exists to advance the health status of persons served by the membership.

Testimony: HB 1012
House Appropriations Committee
Human Resources Division
Appropriations for the Department of Human Services
January 21, 2013

Chairman Pollert and Members of the House Appropriations Committee; I am Jerry Jurena, President of the North Dakota Hospital Association (NDHA). I am before you today presenting testimony in support of HB 1012 and recommend your passage of this bill.

I would like to speak specifically to the items below that are contained in the Governor's budget.

- 4% inflationary increase for all Medicaid providers in both years of the biennium.
- Rebase Rural Health Clinics (RHCs) to Medicare rates.
- Continuation of cost reimbursement for Critical Access Hospitals (CAHs) for outpatient Lab and Certified Registered Nurse Anesthetists (CRNAs).
- Consideration of Medicaid Expansion.

I believe the Governor's recommendation of a 4% inflator for Medicaid reimbursement each year of the biennium is appropriate. Over the last year, inflation in the medical care price index was 3.77% with an average rate over the last 10 years of 3.85% (Forecast-Chart.com). The 4% inflator will impact hospitals and all physicians; approximately 80% of physicians are employed by hospitals, 2011 data.

NDHA supports the recommendation in the Governor's budget to rebase Rural Health Clinics (RHCs) to Medicare rates. The additional funding will cover the cost of providing rural health clinic services to Medicaid beneficiaries. Currently, the average Medicaid reimbursement per encounter is $82 compared to the average cost per Medicare encounter of $132. The additional funding will help maintain access to primary care in rural North Dakota.

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Also, contained in the executive budget is the continuation of cost based reimbursement to Critical Access Hospitals for outpatient laboratory and services provided by Certified Registered Nurse Anesthetists. In 2007, Medicaid payments for Critical Access Hospitals were adjusted to cost reimbursement; however, lab and CRNA services were excluded. These two service lines were reimbursed at the Medicare fee schedule, which were lower than cost reimbursement. During the 2011-2013 Legislative Session, lab and CRNA services were moved to allowable cost reimbursement with a sunset of June 2013. We are supporting the continuation of reimbursement at the allowable cost level for these two service lines for the next biennium, and recommend the sunset provision be removed.

I would like to address section 3 of House Bill 1012. NDHA does support insurance coverage for low-income North Dakotans. As more lives are covered, this leads to a healthier North Dakota and we believe a reduction of bad debt. I believe an insured patient that addresses health concerns early in life will have fewer chronic conditions as she or he ages. A healthier patient means less health care cost will be needed and a patient that has access to insurance will reduce bad debt for the medical providers.

Finally I would like to take this opportunity to address a critical issue facing hospitals within the state. Bad debt levels have grown at a staggering rate as hospitals are seeing more uninsured patients who are either unwilling or unable to pay their bills. This has impacted all hospitals with the greater impact being in western North Dakota. NDHA is concerned about the viability of health care providers in North Dakota. Our hospitals have historically operated on thin margins. In 2012, two-thirds of our Critical Access Hospitals have negative operating margins. In regards to our discussions, I believe Medicaid expansion will help lower bad debt and improve overall health in North Dakota. If we lower bad debt it will only strengthen access to care within the state.

In summary, I urge you to issue a "Do Pass" recommendation on House Bill 1012. This concludes my testimony and I would be glad to answer any questions.

Jerry E. Jurena, President
North Dakota Hospital Association.

HB 1012
1/22/13 AM
Attachment 2

Testimony on HB 1012
House Appropriations Committee
David Molmen, CEO, Altru Health System – Grand Forks, ND
January 22, 2013

Good morning, Chairman Pollert and Members of the House Appropriations Committee.
My name is David Molmen, and I'm the CEO of Altru Health System, serving the northeastern region of our state.

I am presenting testimony in support of several provisions in HB 1012. Specifically, I would like to address three items that are contained in the Governor's budget, including 1) reimbursement adjustments for services provided by all Medicaid providers, 2) cost-based reimbursement to Critical Access Hospitals (CAHs) for outpatient lab and CRNA services, and 3) rebasing of Rural Health Clinic reimbursement.

I testify in support the Governor's recommendation of a 4% inflator for Medicaid reimbursement in each year of the biennium. I believe this is consistent with what we are seeing in a variety of medical price indexes across the country, and is particularly important at a time when we are experiencing increases in labor and some other components of cost more quickly than in other parts of the nation.

Also contained in the executive budget, is the continuation of cost-based reimbursement to Critical Access Hospitals for outpatient laboratory and Certified Registered Nurse Anesthetist (CRNA) services. I am testifying in support of this proposal, which would extend the provision adopted by the 62nd Legislative Assembly to reimburse these services at allowable cost during the 2011-2013 biennium. Our state's Critical Access Hospitals

are currently experiencing very difficult economic challenges, with two-thirds of them suffering negative bottom lines in 2012. This provision will protect the ability of our small and rural facilities to remain viable and offer these vital services.

Finally, I testify in support of the recommendation in the Governor's budget to rebase Rural Health Clinics (RHCs) to Medicare rates. The additional funding provided by this move will help maintain access to primary care services in the most rural and vulnerable communities in North Dakota.

I thank you for the opportunity to provide testimony on this bill, and I urge you to adopt these provisions.

I sincerely thank you for your legislative service.

Dave Molmen
dmolmen@altru.org
701-780-5976

HB 1012
1/22/13 AM
Attachment 3

Testimony on HB 1012
House Appropriations Committee
Dr. Craig Lambrecht, President
Sanford Health Bismarck
Jan. 22, 2013

Good morning, Chairman Pollert and members of the House Appropriations Committee. My name is Craig Lambrecht. Thank you for the opportunity to be here today.

I am president of the western region of Sanford Health. With headquarters in Bismarck, we are a non-profit, integrated health system that features clinic locations in Bismarck, Mandan, Dickinson and Minot. Our system includes a 228-bed hospital, 15 primary and multi-specialty clinics, a college of nursing, three kidney dialysis centers, three occupational health clinics and a comprehensive group of health services in western and central North Dakota.

I am here to support HB 1012 and the applicable funding outlined in Governor Dalrymple's budget for medical services.

As the leader of western North Dakota's largest healthcare system I wish to share with you the incredible increases we are seeing in demand for services. While skyrocketing demand can be a good problem for service-related industries, it is a dangerous one for North Dakota's healthcare industry: one that subjects rural workers and their families to limited to access to care.

Demand for healthcare services within oil-producing counties has obviously increased enormously. At our Dickinson clinics we have worked diligently to keep up with demand, increasing staff as quickly as we are able and even renting portable buildings to increase physical capacity. At times, this is not enough. We are limited by resources and physical space.

Please note the energy industry's impact goes far beyond the Bakken's boundaries. Our campus in Bismarck, which features a level II trauma center, serves as a regional tertiary care center, meaning critical access hospitals in central and western North Dakota refer patients that need

specialized care. The increased demand for our services is staggering. In the last two years alone at Sanford Bismarck we have seen the following increases:

- Clinic: Increased from 355,698 visits in 2010 to 434,093 in 2012 (22 percent)
- Births: Increased from 719 in 210 to 843 in 2012 (19 percent)
- Emergency Department: Increased from 24,843 in 2010 to 28,912 in 2012 (16 percent)
- Mental Health: Increased from 15,828 visits in 2010 to 19,465 in 2012 (23 percent increase)
- Drug testing: 260 percent increase from 2009 to 2012

There is no sign of slowing down.

As with other industries in western North Dakota, we face energy industry-related obstacles including dramatically increased recruitment and retention costs and poor access to affordable housing. But we also face harrowing funding cuts (most notably current and projected Medicare reimbursement reductions) and unprecedented amounts of bad debt and charity care—$17.3 million in 2012.

We will always do what is necessary and best for our patients, but as a whole, healthcare providers are in a difficult position when trying to meet the increasing demand. I encourage your full support of the funding increases outlined in HB 1012; this funding is critical to help ensure access to affordable, high-quality healthcare for the families we serve.

Again, thank you for the opportunity to be here today. I appreciate your time and consideration and welcome your questions.

Dr. Craig Lambrecht
Sanford Health Bismarck
701.323.6104
clambrecht@mohs.org

HB 1012
1/22/13 AM
Attachment 4

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 22, 2013

Good morning Chairman Pollert and members of the House Appropriations Committee. My name is Darrold Bertsch, and I am the CEO of Sakakawea Medical Center in Hazen, North Dakota and the Interim CEO of Coal Country Community Health Center in Beulah. I am here to present testimony in support of House Bill 1012, and specifically the provisions in the Governor's budget relating to Medicaid reimbursement to North Dakota providers.

Sakakawea Medical Center is a 25 bed Critical Access Hospital that also owns and operates a variety of services including Basic Care Services and a Rural Health Clinic. Coal Country Community Health Center is designated as a Federally Qualified Health Center. Both entities provide primary care services to the visitors and residents of Mercer, Dunn and Oliver counties.

I am pleased to support of the Governor's budget recommendations of a 4% inflator in each year of the biennium for Medicaid reimbursement for PPS Hospitals, Physicians, Basic Care and Long Term Care. I also appreciate the Governor including continuation of cost based reimbursement for Laboratory and CRNA services provided by Critical Access Hospitals (CAHs) and additionally his recommendation for rebasing the Medicaid payments made to Rural Health Clinics (RHCs).

4% Annual Inflator: This increase is needed to help facilities with the increased costs being experienced for equipment, supplies and our most valuable resource, the staff who support and provide services in our healthcare entities. You are all well aware of the challenges many employers and industries are having in retaining and recruiting the staff necessary to provide needed services. The healthcare industry is no different, and may have greater challenges. Additionally, the 4% annual inflationary increase for physicians will assist both PPS Acute Hospitals and Critical Access Hospitals, who employ approximately 80% of the state's physicians to receive adequate reimbursement so that we can recruit and retain the professional staff needed to provide patient care.

Lab and CRNA (Certified Registered Nurse Anesthetist) Reimbursement for CAHs: We support and appreciate the Governor's recommendation to continue cost based Medicaid reimbursement to CAHs for laboratory and CRNA services approved during the last Legislative Session. The continuation of this reimbursement and removal of the sunset clause for this reimbursement would help cover the cost of providing these services. Though Medicaid reimbursement to CAHs for these services has not yet been paid to the CAHs since approved during the last session, we are confident that when these Medicaid payments and costs are reconciled in the future with the individual facility Medicare Cost reports, they will be more appropriate than the alternative fee schedule. That being said, if approved during this session, we hope that Medicaid payments for these services can be made concurrently as services are provided and not be structured for reconciliation at a future point in time as they are right now.

Rebasing of Rural Health Clinic (RHC) Medicaid Reimbursement: Rural Health Clinics are an important safety net provider of primary care services in the rural areas of North Dakota. There are 59 RHCs in North Dakota, 45 of which are owned and operated by Critical Access Hospitals across the state. The current Medicaid reimbursement for services provided in the RHCs to Medicaid eligible individuals fails to cover the cost of providing these services. These rates have not been rebased for many years and are in need of adjustment, minimally to the cost of providing services. In an analysis recently completed, the average Medicaid reimbursement for an RHC clinic visit was $81.30. This compares to an average cost per RHC clinic visit of $134.50 as calculated from all North Dakota RHC Medicare Cost Reports. We certainly feel that rebasing Medicaid RHC reimbursement to the cost of providing services is important and needs to happen.

Financial Analysis of North Dakota CAHs: To help validate the importance of these Medicaid payment increases that are included in the Governor's budget, I'd like to provide some additional information relating to Critical Access Hospitals from the most recently completed financial analysis completed.

First of all, in *Slide 2,* I have included a map of the hospitals in North Dakota, with the Critical Access Hospitals being highlighted in yellow. This map shows the 6 larger acute care hospitals located in Bismarck (2), Minot, Grand Forks, and Fargo (2). The map also shows the 36 CAH locations throughout the state.

In *Slides 3 through 10* you will see the results of the most recently completed financial analysis of the state's CAHs. This analysis was completed in September of 2012. For the

last 6 years I have requested financial information from the state's CAHs and have summarized the data for various purposes, including advocacy with a variety of individuals and constituencies including CEOs, Boards, Associations, Legislators, the Insurance Commissioner, the Department of Human Services, BCBS of ND, etc. In the information that I have included with my testimony, I have compared financial information for calendar years 2011 and 2012. I have also compared information for facilities located east of Highway 83 and those located west of Highway 83 who are more impacted by oil activity.

On *Slide 3,* I have highlighted that 36 facilities were included in the study, and that these 36 CAHs also own and operate 14 nursing homes, 45 Rural Health Clinics and 9 their local ambulance service. On *Slide 4,* I have included a summary Statement of Operations. There you will see that the gross patient revenue generated by providing care to patients and the net revenue realized increased by 8% while expenses increased by 10%. You will also notice that Bad Debt/Charity Care expense grew by a staggering 30 % from 2011 to 2012. All this resulted in an increase in the median operating loss for all CAHs from 2011 to 2012, -.2% to -2.3% respectively.

Slides 5 and 6 provide graphs comparing the operating margins of the state's Critical Access Hospitals for 2011 and 2012. You will see that more facilities experienced operating losses in 2012 than 2011 with 25 of the state's 36 CAHs experiencing operating losses in 2012. Fifteen of these 25 CAHs have experienced operating losses in at least 5 of the 6 years that I have completed my analysis. Nine of the facilities have experienced operating losses in all 6 years.

In *Slide 7,* I have provided a Statement of Operations that compares CAHs located west of Highway 83 with those located east of Highway 83. Though facilities on both sides of the state experienced operating losses, you will notice that those west of Highway 83 incurred a more significant median operating loss, that being -5.3% compared to a median loss of -2.0% for facilities in eastern North Dakota

Slide 8 compares financials for 2011 and 2012 for facilities located in western North Dakota. While patient revenue increased by 12% from 2011 to 2012, Bad Debt/Charity Expense increased by **46%**, resulting in a net revenue increase of only 10%. With the increase in expenses of 15%, the resultant median operating loss was -5.3% in 2012.

In *Slide 9,* I again show the same graph of 2012 operating margins for all CAHS, but have highlighted the facilities from western North Dakota in red bars on the graph. On *Slide 10*, you will see a graph of the operating margins of the facilities located in western North Dakota.

Attachments following the slides provide the detail information relating to the financial analysis, including a listing of CAHs and the services they provide. A summary trended analysis for the 6 years of the study is also included.

In reviewing the financial information I provided, you can see that the state's CAHs are experiencing increasing financial challenges. Facilities are working diligently to maintain services while facing these challenges. A concerted effort is being made to reduce costs where possible, advocating with payers for increased reimbursement, increasing the work of foundations and soliciting local city and county governments for financial support. The increased reimbursement being proposed in the Governor's budget would also help facilities with our financial challenges, by reimbursing providers the cost of providing services. In conclusion, I would ask for your support of the 4% annual inflator, cost based reimbursement for CAH Lab and CRNA services, and for rebasing of Rural Health Clinic (RHC) Medicaid reimbursement. Thank you for the opportunity to provide this testimony. I would be happy to answer any questions you may have.

Darrold Bertsch, CEO
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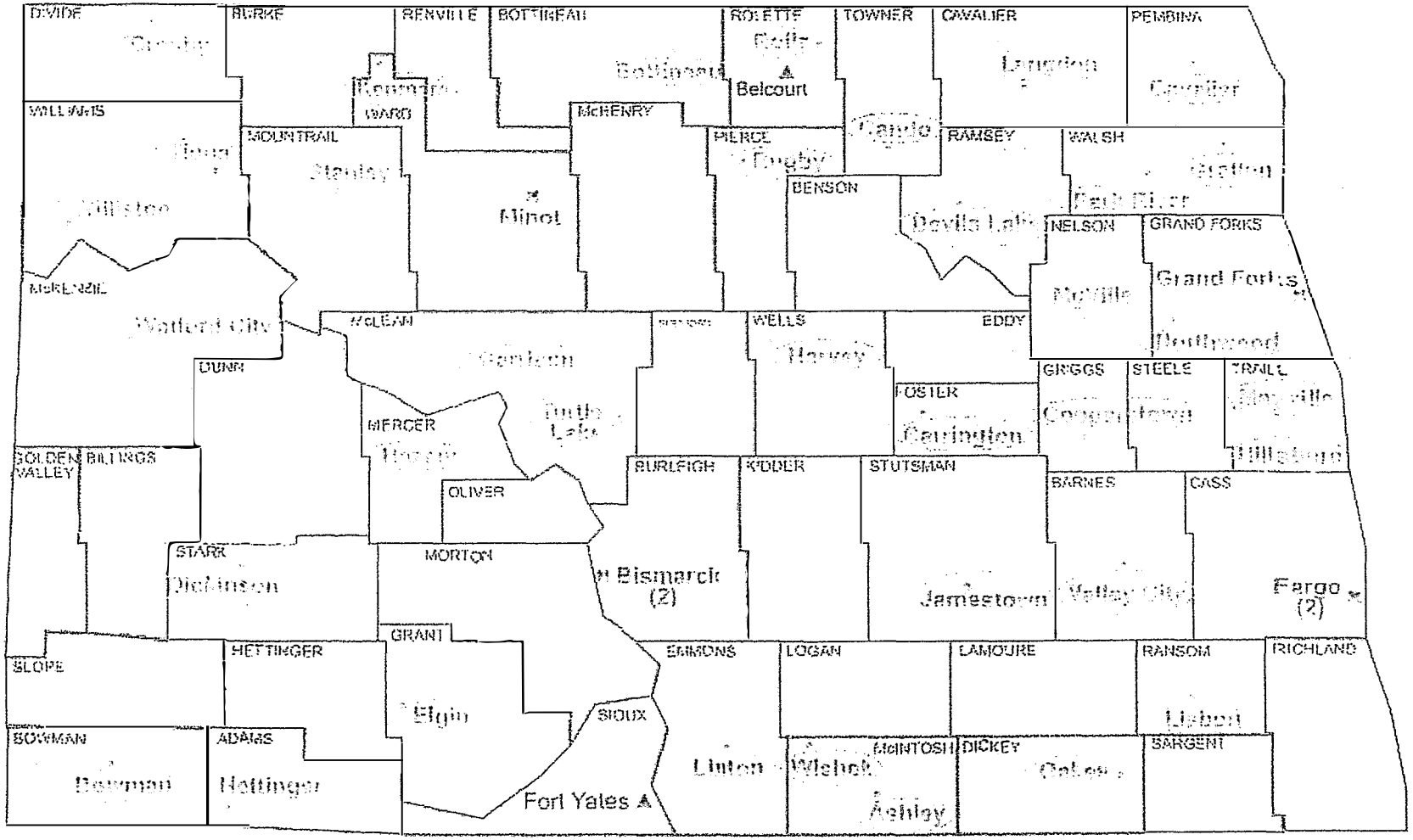
Hazen, North Dakota 58545
Coal Country Community Health Center, Interim CEO
Email address: dbertsch@sakmedcenter.org,
Telephone 701-748-7240, Cell phone 701-880-1440

North Dakota Hospitals and Critical Access Hospitals



Center for Rural Health

- Rural Hospital
- Tertiary Hospital-CAH Network
- Indian Health Service Hospital
- Critical Access Hospital

7/09

North Dakota CAH Financial Analysis

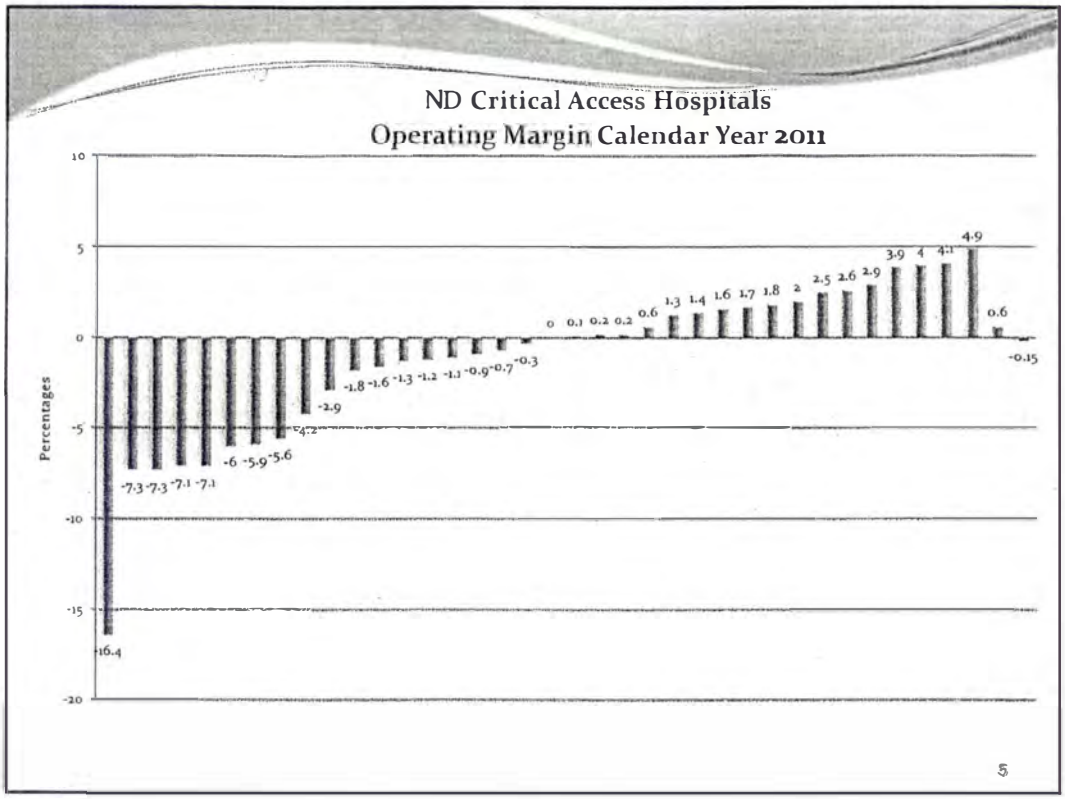
- Observations
  - Financial Analysis Done for Last 6 Years
  - 36 Facilities Reported Their Financial Information in 2012
  - 14 of 36 Facilities Own/Operate a Nursing Home – 697 Beds
  - 9 Facilities Own and Operate the Local Ambulance
  - 30 of 36 Facilities Own/Operate a Clinic
    - 30 Facilities Who Own/Operate Clinics, Operate 60 Clinics
      - 45 Are Rural Health Clinics (RHCs)
      - There are 59 Total RHCs in North Dakota
      - Current Average Medicaid RHC Reimbursement is $81.30
      - Current Average Medicare RHC Cost is $134.50

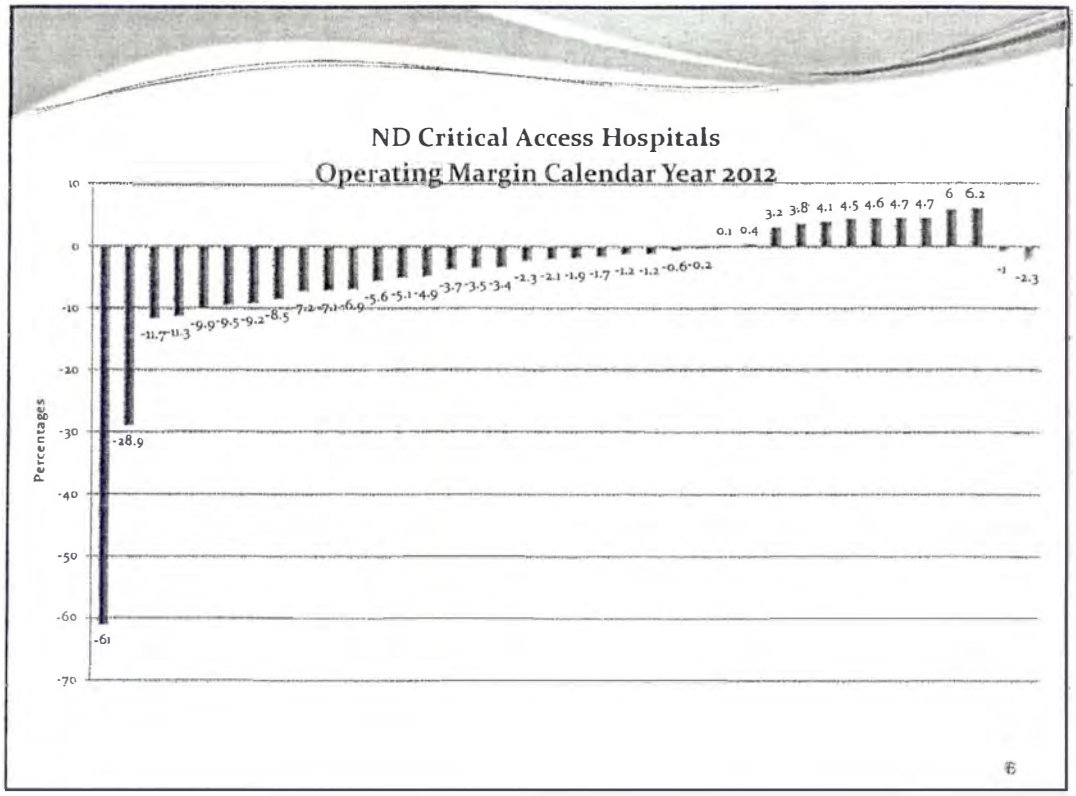
3

North Dakota Critical Access Hospitals
Statement of Operations Analysis

	36 Facilities 2011 Total	% Change	36 Facilities 2012 Total
Patient Revenue	$591,453,259	+8%	$638,294,819
Deductions	$164,386,960	+4%	$171,454,221
Bad Debt/Charity	$24,225,505	+30%	$31,662,236
Net Revenue	$402,840,794	+8%	$435,178,362
Expenses	$399,293,917	+10%	$441,580,857
Operating Margin	$3,546,877		-$6,402,495
Operating Margin Median%	**- 0.2%**		**-2.3%**
Non Operating Rev.	$14,870,838		$9,263,386
NET Income/Loss	$18,417,715		$2,860,891
Net Margin Median %	*1.2%*		*-0.5%*

4


ND Critical Access Hospitals
Operating Margin Calendar Year 2011
Percentages
10
5
0
-5
-10
-15
-20
-16.4
-7.3 -7.3 -7.1 -7.1
-6 -5.9 -5.6
-4.2
-2.9
-1.8 -1.6 -1.3 -1.2 -1.1 -0.9 -0.7 -0.3
0 0.1 0.2 0.2
0.6
1.3 1.4 1.6 1.7 1.8 2
2.5 2.6 2.9
3.9 4 4.1
4.9
0.6
-0.15
5


ND Critical Access Hospitals
Operating Margin Calendar Year 2012
Percentages
10
0
-10
-20
-30
-40
-50
-60
-70
-61
-28.9
-11.7 -11.3 -9.9 -9.5 -9.2 -8.5
-7.2 -7.1 -6.9 -5.6 -5.1 -4.9 -3.7 -3.5 -3.4
-2.3 -2.1 -1.9 -1.7 -1.2 -1.2 -0.6 -0.2
0.1 0.4
3.2 3.8 4.1 4.5 4.6 4.7 4.7
6 6.2
-1 -2.3
6

North Dakota Critical Access Hospitals
Statement of Operations Analysis
Comparing CAHS East of 83 with Those West of 83

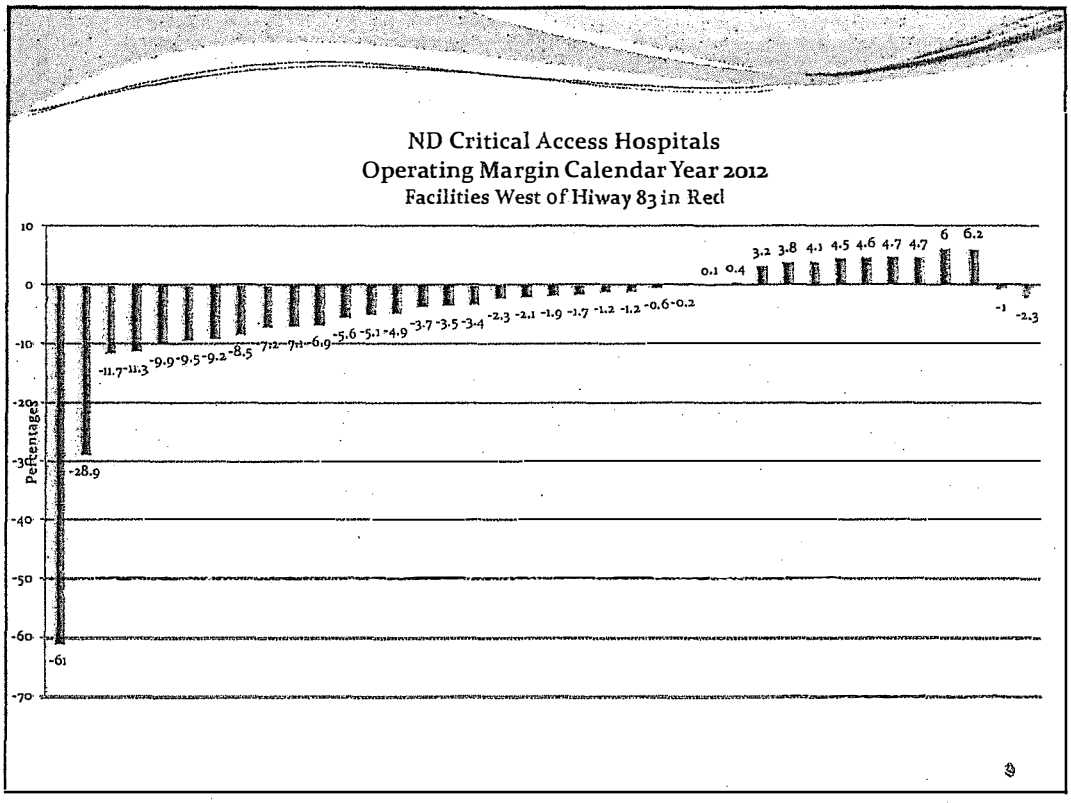
	East of 83 2012 Total	West of 83 2012 Total
Patient Revenue	$351,627,335	$286,667,484
Deductions	-$103,229,146	-$ 99,887,311
Net Revenue	$248,398,189	$186,780,173
Expenses	$250,621,791	$190,959,066
Operating Margin	- $2,223,602	- $4,178,893
Operating Margin Median %	**-2.0%**	**-5.3%**
Non Operating Rev.	$6,582,282	$2,681,104
NET Income/Loss	$4,358,680	-$1,497,7989
Net Margin Median %	*0.9%*	*-2.1%*

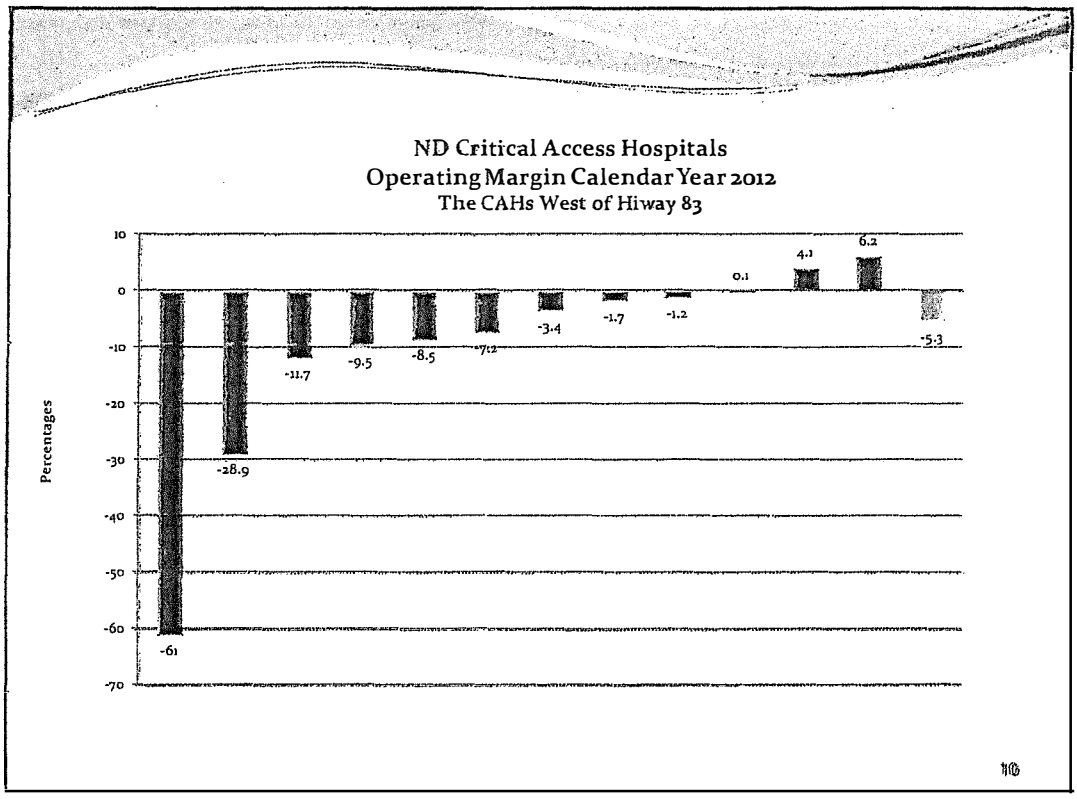
7

North Dakota Critical Access Hospitals
Statement of Operations Analysis
2011 and 2012 Comparison of CAHs West of 83

	West of 83 2011 Total	West of 83 2012 Total	2011-2012 Variance %
Patient Revenue	$255,979,823	$286,667,484	+12%
Bad Debt Expense	-$12,791,293	-$18,716,859	**+46%**
Deductions	-$73,801,994	-$81,170,452	+11%
Net Revenue	$169,386,536	$186,780,173	+10%
Expenses	$166,079,261	$190,959,066	+15%
Operating Margin	$3,307,275	- $4,178,893	-226%
Operating Margin Median %	**0.1%**	**-5.3%**	
Non Operating Rev.	$5,657,930	$2,681,104	-53%
NET Income/Loss	$8,965,205	-$1,497,789	
Net Margin % Median	*0.8%*	*-2.1%*	

8


ND Critical Access Hospitals
Operating Margin Calendar Year 2012
Facilities West of Hiway 83 in Red
Percentages
10
0
-10
-20
-30
-40
-50
-60
-70
-61
-28.9
-11.7
-11.3
-9.9
-9.5
-9.2
-8.5
-7.2
-7.1
-6.9
-5.6
-5.1
-4.9
-3.7
-3.5
-3.4
-2.3
-2.1
-1.9
-1.7
-1.2
-1.2
-0.6
-0.2
0.1
0.4
3.2
3.8
4.1
4.5
4.6
4.7
4.7
6
6.2
-1
-2.3


ND Critical Access Hospitals
Operating Margin Calendar Year 2012
The CAHs West of Hiway 83
Percentages
10
0
-10
-20
-30
-40
-50
-60
-70
-61
-28.9
-11.7
-9.5
-8.5
-7.2
-3.4
-1.7
-1.2
0.1
4.1
6.2
-5.3

North Dakota Critical Access Hospitals
Services That Are Owned/Operated
Calendar 2012

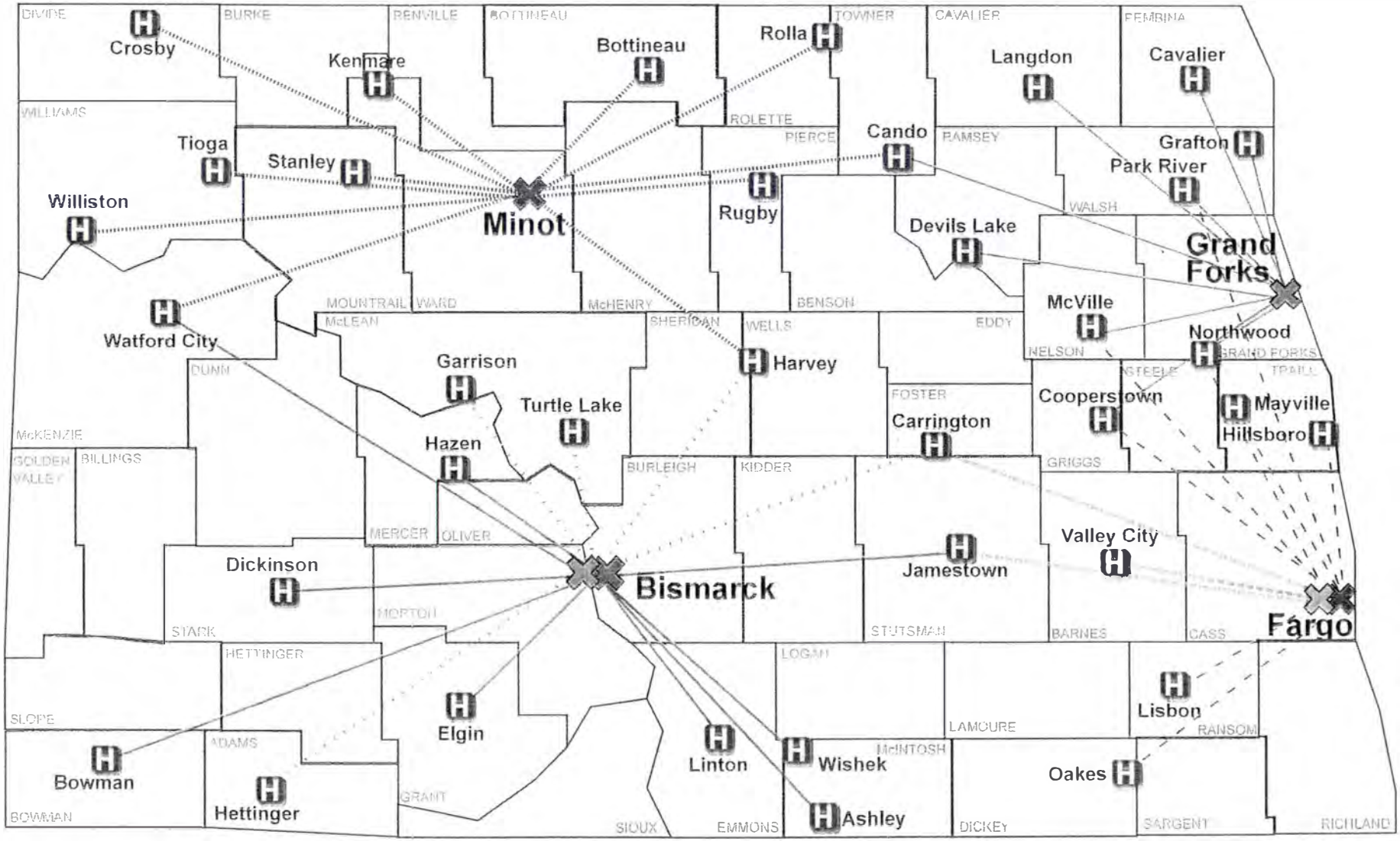
10/07/2012

Margin 7 8 9 10 11 12	Community	CAH Hospital	Nursing Home Beds	Basic Care	Assisted Living	Apartments	Clinic	Ambulance	Home Care
	Ashley	20 Beds	44 Beds			34 Units	RHC - 2		Yes, Term
	Bottineau	25 Beds				14 Units	Jointly Own		
	Bowman	23 Beds	59 Beds <		12 Units	14 Units	RHC	Yes	
	Cando	20 Beds	37 Beds <	7 Beds		10 Units	RHC - 1 of 2		
	Carrington	25 Beds		24 Beds			RHC - 2	Yes	
	Cavalier	25 Beds	50 Beds			20 Units	RHC		
	Crosby	25 Beds					RHC - 3		
	Cooperstown	18 Beds	48 Beds		12 Units		RHC		
	Devils Lake	25 Beds							
	Dickinson	25 Beds					RHC 2 of 5		
	Elgin	21 Beds	25 Beds				RHC - 2		
	Garrison	22 Beds	28 Beds				RHC		
	Grafton	14 Beds <					RHC		
	Harvey	25 Beds	95 Beds <			16 Units			
	Hazen	25 Beds		30 Beds			RHC		Yes
	Hettinger	25 Beds					RHC - 5 of 7	Yes	
	Hillsboro	16 Beds	48 Beds >		16 Units			Yes	
	Jamestown	25 Beds					Yes		Yes
	Kenmare	25 Beds					RHC		
	Langdon	25 Beds					RHC - 1 of 2	Yes	
	Linton	14 Beds			11 Units		RHC - 2 of 3	Yes	
	Lisbon	25 Beds							
	Mayville	25 Beds					Yes		
	McVille	19 Beds	39 Beds		12 Units		RHC - 2		
	Northwood	12 Beds	56 Beds <	5 Beds	6 Units	10 Units		Yes	
	Oakes	20 Beds					Yes- 2		
	Park River	14 Beds					RHC		
	Rolla	25 Beds					RHC		
	Rugby	25 Beds	80 Beds	68 Beds	37 Units		RHC 3 of 4	Yes	
	Stanley	11 Beds					RHC		
	Tioga	25 Beds	30 Beds			22 Units	RHC - 3		
	Turtle Lake	25 Beds					RHC		
	Valley City	25 Beds							
	Watford City	24 Beds	47 Beds	9 Beds	16 Units	8 Units	RHC		
	Williston	25 Beds					Yes 2		
	Wishek	24 Beds					RHC - 4	Yes	Yes
13 18 11	**Facilities**	36	14	6	8	9	30	9	4
27 27 34 36 36 36	**Total**	792	697	143	122	148	60 45 RHCs		

CAH Financials Analysis 01/21/2013
Facility Statement of Operations Summary

Description	27 Facilities Calendar 2007 Total	27 Facilities Calendar 2008 Total	34 Facilities Calendar 2009 Total	36 Facilities Calendar 2010 Total	36 Facilities Calendar 2011 Total	36 Facilities Calendar 2012 Total
Patient Revenue						
Inpatient	31,578,867	33,974,027	95,710,180	111,727,623	107,759,922	105,751,786
Outpatient	82,825,552	93,034,353	224,786,849	275,106,239	312,236,770	357,270,585
Clinic	20,417,754	23,112,679	45,060,581	58,665,595	70,204,748	77,427,522
Swingbed	11,586,688	10,843,808	19,904,926	18,988,857	22,318,665	23,308,887
Long Term Care	38,005,155	39,418,947	42,195,113	44,825,255	48,741,407	48,526,505
Basic Care	2,444,099	2,746,861	3,587,444	3,375,736	3,524,517	3,686,750
Ambulance	2,233,006	2,319,363	3,075,332	3,362,294	4,164,004	4,324,743
Home Care	795,043	817,536	4,885,086	5,841,217	4,688,454	1,299,445
Independent Apartments	1,106,897	1,149,345	1,245,684	980,470	976,118	1,074,358
Assisted Living	491,532	520,662	667,172	1,520,586	1,906,486	1,787,821
Total Patient Revenue	191,484,592	207,937,581	441,118,367	524,393,872	576,521,091	624,458,402
Other Operating Revenue	3,121,043	3,505,845	10,217,579	13,007,817	14,932,168	13,836,417
Total Operating Revenue	**194,605,635**	**211,443,426**	**451,335,946**	**537,401,689**	**591,453,259**	**638,294,819**
Contractual Deductions						
Medicare Contractuals	19,161,621	23,960,975	73,884,354	82,703,151	78,561,206	74,775,074
Blue Cross Contractuals	8,837,453	9,957,376	31,994,643	39,848,307	45,594,173	53,285,498
Medicaid Contractuals	4,213,832	4,384,599	13,240,118	15,685,230	19,626,838	19,793,566
Other Contractuals	3,358,512	4,268,129	14,063,340	18,154,134	20,604,743	23,600,083
Bad Debt/Charity Expense	3,522,554	3,789,830	13,931,728	15,981,219	24,225,505	31,662,236
Total Deductions	39,093,971	46,360,909	147,114,183	172,372,041	188,612,465	203,116,457
NET PATIENT REVENUE	**155,511,664**	**165,082,517**	**304,221,763**	**365,029,648**	**402,840,794**	**435,178,362**
Operating Expenses						
Salaries, Wages, Benefits	95,239,590	100,472,352	180,338,765	203,861,579	223,964,331	240,129,356
Purchased Service/Other	24,302,246	26,011,704	67,727,995	87,063,450	85,623,149	110,994,817
Supply Expense	29,592,066	31,969,946	43,357,593	46,288,863	58,065,215	51,899,319
Utilities	3,428,846	3,614,698	8,523,082	8,653,528	8,028,247	8,885,511
Depreciation & Amortization	7,473,330	8,413,273	14,882,424	18,990,211	19,312,081	23,767,115
Interest Expense	1,429,793	1,728,740	3,287,894	3,796,192	4,300,894	5,904,739
Total Expenses	161,465,871	172,210,713	318,117,753	368,653,823	399,293,917	441,580,857
Net Operating Margin	**(5,954,207)**	**(7,128,196)**	**(13,895,990)**	**(3,624,175)**	**3,546,877**	**(6,402,495)**
Operating Margin % (Median)	***-3.8%***	***-3.2%***	***-2.0%***	***-1.4%***	***-0.2%***	***-2.3%***
Non Operating Revenue						
Governmental Subsidies	114,157	389,535	596,601	922,418	662,899	871,565
Foundation Gifts	496,680	666,254	1,150,255	1,095,878	1,050,091	2,406,629
Grants	748,966	1,225,573	1,408,766	1,046,609	1,202,943	2,443,263
Other Donations	1,445,665	1,593,705	1,654,742	1,448,276	1,643,462	1,344,863
Other Non Operating Revenue	1,307,103	1,375,828	604,541	(7,153,102)	10,311,443	2,197,066
Total Non Operating Rev.	4,112,571	5,250,895	5,414,905	(2,639,921)	14,870,838	9,263,386
NET INCOME/LOSS	**(249,444)**	**(1,877,301)**	**(8,481,085)**	**(6,264,096)**	**18,417,715**	**2,860,891**
Net Margin % (Median)	***-1.7%***	***-2.0%***	***-0.6%***	***-0.7%***	***1.2%***	***-0.5%***

North Dakota Critical Access Hospitals & Referral Centers



10/12

Center *for* Rural Health
The University of North Dakota School of Medicine & Health Sciences

Referral Centers

Trinity Hospital ..... Altru Hospital ———

St. Alexius Medical Center . . . . . Sanford Health - - - - - - -

Sanford Bismarck Medical Center & St. Alexius ———— Sanford & Essentia Health

Critical Access Hospitals H

HB 1012
1/22/13 AM
Attachment 5

Chairman Pollert and Committee Members, I'm Courtney Koebele and I serve as executive director of the North Dakota Medical Association. The North Dakota Medical Association is the professional membership organization for North Dakota physicians, residents and medical students.

Our physicians in North Dakota provide the safety net medical services for the most vulnerable of our population – a population of Medicaid patients who present unique, and often some of most difficult, challenges. Our Medicaid patients benefit from the services physicians are able to provide them – from a North Dakota health care system that is recognized nationally as a high-quality, efficient health care system. However, we also have unique healthcare workforce recruitment and retention challenges occurring in our state that are driven by our demographics, payor reimbursement policies and other practice issues. Our capital needs continue to grow, with aging facilities, technology and equipment – and our costs for medical equipment, new technology and supplies continue to increase. The rebase accomplished in 2009 and again reflected in the 2013-15 executive budget provide substantial assistance toward helping to address some of these issues.

The North Dakota Medical Association supports the 2013-2015 executive budget and the 4% inflationary increases.

Physicians in North Dakota continue to do their part in providing good access to quality medical care for Medicaid beneficiaries and showing their ongoing commitment to the long-term sustainability of the Medicaid program. We look forward to working with the Committee in addressing the future needs for Medicaid medical services. Thank you.

NDMA

Est.1887 NORTH DAKOTA MEDICAL ASSOCIATION

Physician Medicaid Reimbursement

FAQ

- **What is Medicaid?**

  Medicaid is a federal/state partnership program that provides health benefits to low-income Americans, including children, their parents, pregnant women, the elderly and people with disabilities. Medicaid pays for people in nursing homes that cannot afford to self-pay

- **What is the FMAP?**

  Because Medicaid is a partnership, states and the federal government each have a role in designing and paying for each state's program. While states have some flexibility in determining what benefits they provide, who will be eligible and how much they will pay health care providers, they must work within federal guidelines. In turn, the federal government pays a portion of each state's Medicaid costs. These matching dollars are referred to as Federal Medical Assistance Percentage (FMAP) payments. ND FMAP percentage for the next biennium is 50%, the lowest it is allowed to be under federal law.

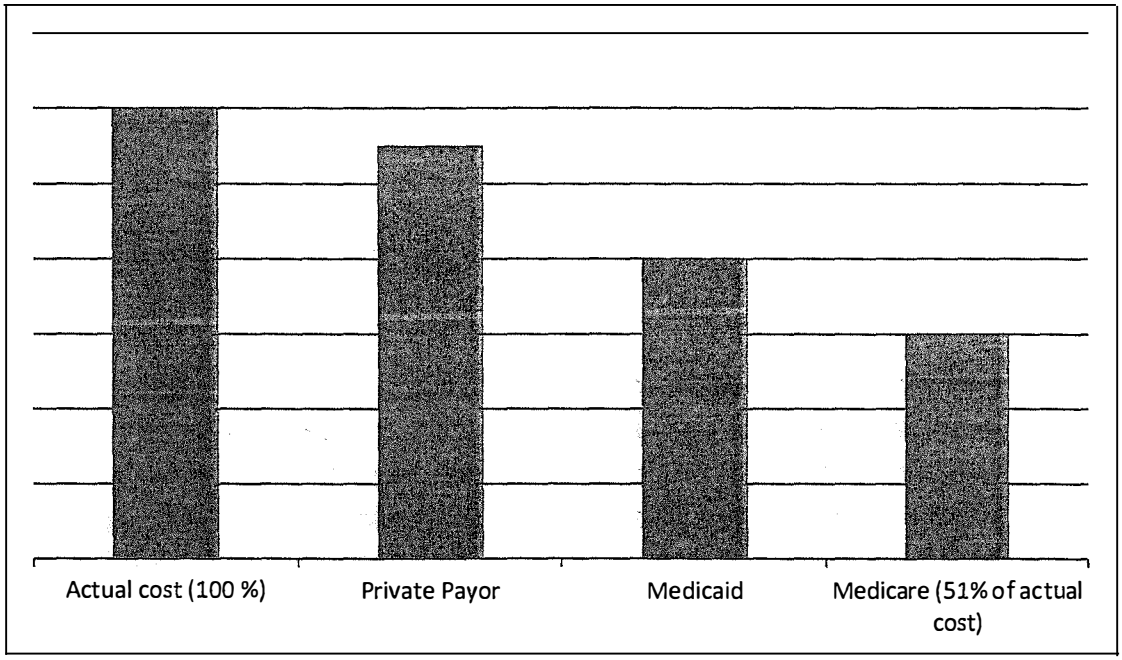
- **Why does the governor's budget contain 93 million dollars just to "hold even"?**

  Because North Dakota's economy is doing well, our share of Medicaid increased. The difference between the old percentage and the new percentage amounts to 93 million dollars over the next biennium. Therefore, to maintain the same benefits to recipients and same payments to providers, the state needs to have 93 million more in its Medicaid budget.

NDMA
Est.1887 NORTH DAKOTA MEDICAL ASSOCIATION

- **Why should providers receive a 4% increase?**
  - In 2009, the legislature raised the physician Medicaid payments to 75% of actual cost to provide the care. In 2011, the legislature did not give an inflationary increase. Therefore, present Medicaid payment rates are at 2009 levels. Costs have increased, and in order to maintain access, payments should not be decreased.
  - 80% of the state's physicians work for hospitals. Therefore, decreasing physician payments hurts the state's hospitals, which are already under financial strain.
  - A 4% increase does not even pay for physician's actual costs.

Goal: Maintain the Governor's budget in HB 1012 with 4%/4% inflators



HB 1012
1/22/13 AM
Attachment 6

HB1012- SUPPORT MEDICAID EXPANSION
Tuesday, January 22, 2013
House Appropriations Committee, Human Resources Division

Josh Askvig- AARP-ND
jaskvig@aarp.org or 701-989-0129

Chairman Pollert, members of the House Appropriations Committee Human Resources Division, I am Josh Askvig, Associate State Director of Advocacy for AARP North Dakota.

Dr. Ethel Percy Andrus, a retired educator and AARP's founder, became an activist in the 1940's when she found a retired teacher living in a chicken coop because she could afford nothing else. Dr. Andrus couldn't ignore the need for health and financial security in America and set the wheels in motion for what would become AARP. We are a nonprofit, nonpartisan membership organization with nearly 88,000 members in North Dakota and 37 million nationwide. We understand the priorities and dreams of people 50+ and are committed to helping them live life to the fullest, including here in North Dakota.

Included in HB 1012 is the Governor's recommendation to expand Medicaid under the Affordable Care Act.

AARP believes everyone should have access to affordable health care. By expanding Medicaid this year, North Dakota can help hard-working people who have jobs without health insurance to get Medicaid health coverage if their incomes are less than $15,000 a year or 138 percent of the federal poverty level.

This issue is particularly important to low-income individuals who are over age 50 and not yet eligible for Medicare. These middle-aged adults are more likely to face the onset of health conditions that if left untreated could inevitably increase their need for and use of health and long term care. With the expansion, AARP estimates approximately 4,366 50-to-64-year-olds could qualify for Medicaid in North Dakota.

Expanding Medicaid will provide coverage for individuals struggling to make ends meet. In addition, it will give people without insurance access to preventive care that can save lives, and ease dangerous and expensive emergency room overcrowding that hurts all of us.

Medicaid expansion will both expand access to health care coverage for people who desperately need it and infuse the state's economy with hundreds of millions of dollars. Under the law, the federal government will pay the cost of the state's Medicaid expansion for three years beginning in 2014, and then the federal government's match rate gradually drops beginning in 2017, decreasing to 90 percent in 2020 and thereafter.

This means North Dakota has an opportunity to provide health care coverage to an estimated 32,000 uninsured residents at no cost to the state for the first three years and no more than 10 percent of the cost in the future. North Dakota taxpayers will also find savings after expanding Medicaid due in large part to reducing the need for other medical service programs that are currently paid for now entirely by the state, like mental health services. Finally, hospitals and health care providers won't end up with uninsured patients using expensive emergency room care.

I want to offer a couple of brief notes on some of the potential state savings as a result of Medicaid Expansion. The Kaiser Family Fund issued a report in November 2012 (ATTACHMENT A) that considered the impact of expanding Medicaid coverage to uninsured low income adults with chronic illness. The report found notable levels of chronic illness among the uninsured, indicating largely unmet health care needs among potentially newly eligible adults. Among the uninsured, prevalence of the four conditions ranged from 5% for diabetes to 13% for mental illness. The report posits that it is possible that the uninsured (who are less likely than those with Medicaid to see a medical provider) also have undiagnosed illness that weren't captured in the numbers but still would require treatment.

Out of pocket spending among these individuals varied from $904 for uninsured adults with respiratory disease to $1,498 for those with diabetes, with the remainder of their overall spending coming from health care providers or uncompensated care funds. These expenses are hard to meet on small budgets, meaning many are simply not getting the care they need to manage these chronic illnesses. Another issue raised by the report is that lack of consistent source of care by uninsured adults. Medicaid enrollees were much more likely to have a check-up in the past two years than their uninsured counterparts with the same illnesses. This indicates that these people are disconnected from the health system and exacerbating problems for people with chronic conditions that require ongoing medical attention.

The report concludes that Medicaid eligibility expansion in 2014 "may provide improved access to a variety of health services and prescription medications, as well as reductions in out-of-pocket costs, for many currently uninsured adults with chronic conditions. The relatively comprehensive Medicaid benefits package and improved care management could also foster more appropriate care patterns for the uninsured at a greatly reduced out-of-pocket cost, potentially improving both their health and personal economic security, as these individuals have quite limited incomes. For these reasons, Medicaid eligibility may have a substantial, positive impact on the quality of life for poor, uninsured adults with chronic conditions, especially those without children—a vulnerable population that has historically been excluded from health coverage."

Beginning in 2014, those living between 100 percent through 400 percent of poverty will be eligible for a federal tax subsidy should they choose to purchase health insurance coverage through a health insurance exchange. If North Dakota fails to exercise the Medicaid expansion option as it currently exists, thousands of residents will not have access to affordable coverage and the state will, in fact, be creating a coverage gap for the poorest individuals and families under 100% of poverty who will have no access to health care subsidies.

AARP urges the State of North Dakota to participate in Medicaid expansion because it makes sense both for the health of our residents, and for the state budget. For those who will be newly eligible in 2014, North Dakota will be able to take advantage of the 100 percent federal match rate. Expansion meets the needs of over 32,000 individuals in the state, including 4,366 50-64 year olds, while taking advantage of federal dollars that can be used to ensure that all North Dakota residents have access to affordable health care coverage.

I appreciate your time Mr. Chairman and members of the Committee. We strongly encourage you to move forward with the Medicaid Expansion included in HB1012.

kaiser commission on
KEY FACTS

medicaid and the uninsured

THE HENRY J. KAISER FAMILY FOUNDATION

November 2012

The Role of Medicaid for Adults with Chronic Illnesses

Introduction

Medicaid is the nation's health coverage program for the low-income population, covering over 60 million people, or one in five Americans. Medicaid beneficiaries are a diverse group that includes low-income parents, children, and pregnant women, low-income Medicare beneficiaries, and people with disabilities. Many individuals covered through Medicaid have special needs, which is a result of the program's eligibility rules that explicitly extend coverage to disabled and medically needy groups. Beginning in 2014, the Affordable Care Act (ACA) enables states to expand Medicaid to nearly all people with income at or below 138% of the federal poverty level (FPL). This expansion would extend coverage to millions of currently uninsured adults, particularly non-elderly adults without dependent children who have typically been excluded from the program. Since this newly eligible group is largely uninsured and faces limited access to the health care system as a result, they may have substantial unmet need for health care services.

Understanding the current and future role of Medicaid for adults with chronic illnesses can aid policymakers in designing programs to efficiently and effectively meet the needs of enrollees. Specifically, decisions related to benefit design, delivery systems, and provider networks may be better informed with information on Medicaid's current role for individuals with chronic illnesses, how well the program serves these individuals, and how the health needs of the newly-eligible compare to those already enrolled. This brief summarizes a series of policy briefs that examine Medicaid's role for adults with chronic illnesses including diabetes, cardiovascular disease (CVD), respiratory disease, and mental illness.* It compares low-income adults with Medicaid coverage to low-income adults who are uninsured with respect to health needs, health care spending, access to care, and utilization of services. [A more detailed description of the data and methods for the analysis in this brief is included in the Appendix at the end of the report.] The information provides a profile of Medicaid's role in supporting population health and how this role could change through the expansion of eligibility in 2014.

* Separate pieces examine each of these conditions individually. See: http://www.kff.org/medicaid/8383.cfm.

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Findings

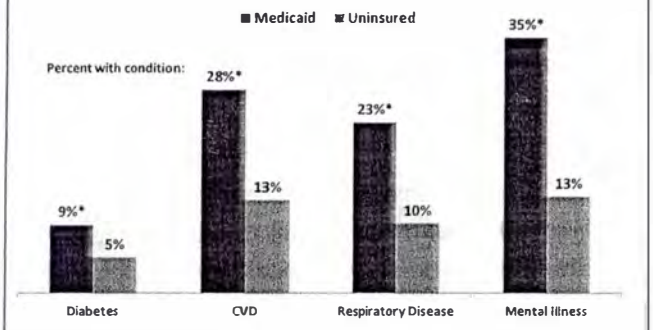
Prevalence

Among nonelderly adult Medicaid enrollees in 2009, the prevalence of chronic conditions varied by disease (Figure 1). Around one in ten adult Medicaid enrollees had diagnosed diabetes, and higher shares had diagnosed cardiovascular disease (28%) or respiratory disease (23%). Over a third (35%) had a diagnosed mental illness.

The prevalence of all four conditions was higher among Medicaid adults than among the uninsured (Figure 1). The higher rate of chronic illness among Medicaid beneficiaries is likely a result of Medicaid rules that explicitly extend program eligibility to people in poor health, such as the medically needy and people with disabilities. While lower than prevalence rates among Medicaid enrollees, there are still notable levels of chronic illness among the uninsured, indicating the considerable health care needs among potentially newly eligible adults. Among the uninsured, prevalence of the four conditions ranged from 5% for diabetes to 13% for mental illness. It is quite possible that the uninsured (who are less likely than those with Medicaid to see a medical provider) also have undiagnosed illness that do not appear in the prevalence rates above but still would require treatment.[1]

Figure 1

Prevalence of Chronic Illnesses among Medicaid and Uninsured Nonelderly Adults ≤138% FPL, 2009

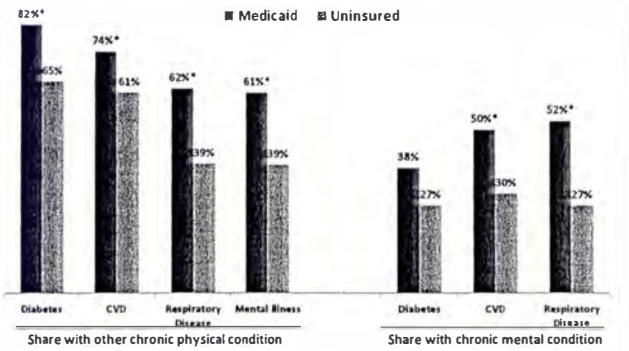


*Statistically different from Uninsured (p<0.05).
All insurance groups include only those nonelderly with full-year coverage or a full year without coverage.
Excludes dual eligibles.
SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.

Comorbidity, or an individual having more than one illness, is common among individuals with chronic conditions, and this pattern holds among low-income Medicaid and uninsured adults. In fact, a majority of Medicaid beneficiaries with each of the four conditions had an additional physical chronic condition—ranging from 61% to 82%—evidence of the complex health care needs of this population (Figure 2). Moreover, between 38% and 52% of nonelderly Medicaid enrollees with one of the three physical conditions (diabetes, CVD, and respiratory disease) also had a comorbid mental illness. Comorbidities were also common among uninsured adults with the four chronic conditions. The shares of these uninsured groups with a physical comorbidity ranged from 38% to 64%, and the shares of those with one of the three physical chronic conditions with a comorbid mental health condition were around three in ten.

Figure 2

Comorbidity among Medicaid and Uninsured Nonelderly Adults ≤138% FPL with Chronic Illness, 2009



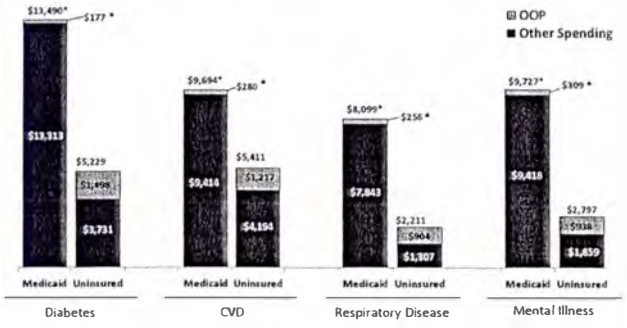
*Statistically different from Uninsured (p<0.05). All insurance groups include only those nonelderly with full-year coverage or a full year without coverage. Excludes dual eligibles.
SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.

Spending

Chronic illnesses may be costly to treat, and the presence of comorbid conditions—each with costly treatment needs—means that individuals with these illnesses may incur substantial health costs. Health spending for nonelderly adult Medicaid enrollees with chronic illness ranged from $8,099 per capita among those with respiratory disease to $13,490 per capita among those with diabetes (Figure 3). Individuals with diabetes had the highest per capita spending of the illnesses analyzed; this result is likely related to the fact that individuals with diabetes also had the highest comorbidity rates and the spending levels in Figure 3 represent spending on all services (not just spending for each disease). High spending levels among Medicaid beneficiaries with chronic illness are related to their poor health status: spending for nonelderly adult Medicaid beneficiaries without these conditions was significantly lower (around $5,000 per capita, data not shown).

Figure 3

Per Capita Spending among Medicaid and Uninsured Nonelderly Adults ≤138% FPL with Chronic Illness, 2009



*Statistically different from Uninsured (p<0.05).
All insurance groups include only those with full-year coverage or a full year without coverage.
SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.

Compared to Medicaid enrollees, uninsured low-income adults had per capita spending between $2,211 (respiratory disease) and $5,411 (CVD) (Figure 3). The differences in spending levels again reflect both the particularly complex health care needs of the Medicaid population with chronic illnesses and lower utilization among uninsured individuals with the same illnesses.

Conversely, out-of-pocket spending was consistently lower and more similar across the illness groups for Medicaid beneficiaries than for uninsured adults (Figure 3). For the illness groups in Medicaid, out-of-pocket spending per beneficiary fell between $177 per year for those with diabetes and $309 for those with mental health conditions. By contrast, those figures varied from $904 for uninsured adults with respiratory disease to $1,498 for those with diabetes, with the remainder of their overall spending coming from health care providers or uncompensated care funds. The substantial differences in out-of-pocket spending between Medicaid adults and the uninsured result from Medicaid rules that limit cost-sharing for beneficiaries to nominal amounts.

Utilization

The spending patterns in Figure 3 reflect differences in utilization by illness and coverage. Across the four illnesses, Medicaid beneficiaries with chronic illnesses had greater service utilization than the uninsured with the same illness (Table 1). Specifically, Medicaid adults had had roughly two to three times as many office visits in the previous year (10.2–12.3 versus 3.2–5.6) and prescriptions filled per month (3.3-5.3 versus 1.1-2.2) as the corresponding groups of the uninsured. Adults in Medicaid were also more likely than the uninsured to have had an inpatient stay or an emergency department (ED) visit in the previous year, though the differences in ED use were smaller than differences for other utilization measures. These higher relative rates of ED use among the uninsured could reflect the relative inelasticity of emergency service utilization compared to other, non-emergent services. The lower rates of other types of utilization, particularly office visits and prescription drug use, may indicate unmet need for services, especially when one considers the high rates of comorbidity among these individuals.

As with spending, utilization was higher among Medicaid enrollees with diabetes compared to other illnesses, with the exception of emergency department visits. Again, this group is most likely to have comorbid conditions and thus may have greater health needs than other groups.

Table 1

Service Utilization among Medicaid and Uninsured Nonelderly Adults ≤138% FPL with Chronic Illness, 2009

	Medicaid	Uninsured
Number of Provider Office Visits		
Diabetes	12.3*	4.8
CVD	10.2*	5.6
Respiratory Disease	10.7*	3.2
Mental Illness	10.9*	5.0
Number of Prescriptions/Month		
Diabetes	5.3*	2.2
CVD	3.9*	1.9
Respiratory Disease	3.5*	1.1
Mental Illness	3.3*	1.3
Share who had an Inpatient Stay		
Diabetes	29%*	10%
CVD	22%*	9%
Respiratory Disease	19%*	6%
Mental Illness	22%*	7%
Share who had an Emergency Department Visit		
Diabetes	34%	34%
CVD	36%*	23%
Respiratory Disease	39%*	26%
Mental Illness	33%*	23%

*Statistically significant difference from Uninsured, $p < .05$

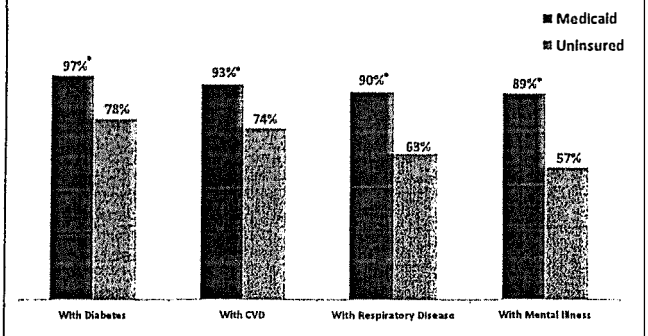
SOURCE: KCMU analysis of 2009 Medicaid Expenditure Panel Survey data.

Access

Despite higher levels of comorbidity, nonelderly adult Medicaid enrollees with chronic illness report better access to care than uninsured adults with the same illnesses. Specifically, most Medicaid beneficiaries with chronic illness reported having a usual source of care (Figure 4), ranging from 89% of those with a mental illness to 97% of those with diabetes. Consistently lower shares of the uninsured with chronic illness reported having a usual source of care, and the trend across the illness groups was similar to that of the Medicaid population, ranging from 57% of those with mental illness to 78% of those with diabetes. Not having a usual source of care indicates disconnection from the health system and may be especially problematic for people with chronic conditions that require ongoing medical attention.

Figure4

Usual Source of Care among Medicaid and Uninsured Nonelderly Adults ≤138% FPL with Chronic Illness, 2009

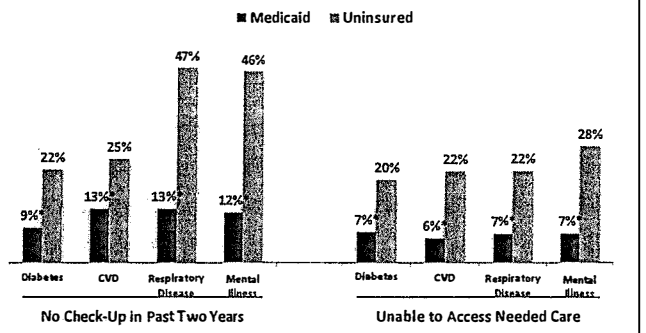


* Statistically different from Uninsured (p<0.05).
All insurance groups include only those with full-year coverage or a full year without coverage.
SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.

On most measures of having a problem accessing care, nonelderly adult Medicaid beneficiaries with chronic disease were less likely than their uninsured counterparts to report a problem (Figure 5). Medicaid enrollees were much more likely to have a check-up in the past two years than their uninsured counterparts with the same illnesses. Notably high shares of uninsured adults with respiratory disease (47%) or mental illness (46%) reported not having a recent check-up, indicating potential barriers to regular care for their conditions. Further, all four groups of Medicaid beneficiaries were less likely than their uninsured counterparts to have been unable to access necessary medical care, with shares steady in the single digits among Medicaid adults and ranging from 20% to 28% among uninsured adults.

Figure 5

Barriers to Care among Medicaid and Uninsured Nonelderly Adults ≤138% FPL with Chronic Illness, 2009



* Statistically different from Uninsured (p<0.05).
All insurance groups include only those with full-year coverage or a full year without coverage.
SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.

Policy Implications

Medicaid plays an important role in providing access to care for people with chronic conditions. There is a high prevalence of chronic conditions among low-income, nonelderly adult Medicaid beneficiaries, and most of these individuals have complex care needs stemming from comorbid conditions. Reflecting these high needs, Medicaid enrollees with chronic conditions have relatively high spending and utilization rates. Notably, Medicaid seems to meet the health care needs of this high use population, as most report being linked to care and few report barriers to accessing services. Compared to Medicaid enrollees with the same illness, uninsured adults with chronic illness have poorer access to care, are less likely to utilize basic services, and have a greater out-of-pocket burden. Thus, while prevalence of chronic illness among uninsured low-income adults was lower than among Medicaid enrollees, many newly-eligible individuals may present with complex health needs.

The results of this analysis also suggest that the implementation of the Medicaid eligibility expansion in 2014 may provide improved access to a variety of health services and prescription medications, as well as reductions in out-of-pocket costs, for many currently uninsured adults with chronic conditions. The relatively comprehensive Medicaid benefits package and improved care management could also foster more appropriate care patterns for the uninsured at a greatly reduced out-of-pocket cost, potentially improving both their health and personal economic security, as these individuals have quite limited incomes. For these reasons, Medicaid eligibility may have a substantial, positive impact on the quality of life for poor, uninsured adults with chronic conditions, especially those without children—a vulnerable population that has historically been excluded from health coverage.

The ACA also offers opportunities to improve the care that Medicaid beneficiaries receive. The relatively high number of ED visits and hospital stays, as well as provider office visits and prescriptions filled, among Medicaid adults with chronic conditions in this analysis indicates that there are opportunities to better coordinate care or provide it more efficiently for beneficiaries with complex care needs. In addition, the high rates of mental health comorbidity among adults with chronic physical conditions present opportunities for improved coordination of physical and mental health services. The Medicaid health homes option in the ACA presents an opportunity for states to coordinate care across providers to prevent duplicative or inappropriate care, especially for patients with multiple conditions and complex health needs. The health homes option extends a 90% federal matching rate for state spending on health home services for eight quarters. Qualifying health home services include care coordination and management, referral to community and social supports, and transitional and follow-up care.

While the ACA provides a number of opportunities to improve access to and quality of care for many uninsured adults with chronic conditions, it will be critical for states to ensure adequate provider capacity in their Medicaid programs so that these new enrollees have adequate access to the primary, preventive, and specialized care necessary to adequately treat their conditions. If states can meet the challenges of effectively implementing the ACA Medicaid expansion, the results of this analysis suggest that enrollment in Medicaid may provide greater access to important services that would enable newly eligible adults with chronic conditions to better manage their conditions.

Appendix

This analysis draws on data from the 2009 Medical Expenditure Panel Survey (MEPS) household component. The publicly-available MEPS-HC dataset is a nationally-representative survey of healthcare access, utilization, and expenditure among the United States civilian, non-institutionalized population. We restrict our analysis to low-income nonelderly adults who are either uninsured or covered by Medicaid for twelve consecutive months. We exclude those with coverage changes throughout the year to match the timing of insurance and access measures, which ask about all access and use over the past year. We define "low-income" as having family income at or below 138% FPL. Medicaid beneficiaries with Medicare ("dual-eligibles") are excluded.

To identify individuals with chronic conditions, we use the MEPS Medical Conditions file, which is based on self-reports of whether a person had been told by a health care provider that he or she had any "priority" condition,[2] self-reports of individuals taking a day or more of disability during the year for a condition and of a condition "bothering" a respondent, and ICD-9 codes, classified using Clinical Classification Codes, from the event files. We also use the HCUP Chronic Condition Indicator (CCI) to specify whether a condition was chronic; only chronic conditions are included in this analysis. Spending data include expenditures from all payers and on all health care services. All spending values are calculated as annual, per capita expenditures.

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[1] Wilper AP, Woolhandler S, Lasser KE, McComick D, Bor DH, Himmelstein DU. Hypertension, diabetes, and elevated cholesterol among insured and uninsured US adults. *Health Affairs*. 2009;28(6):w1151-9

[2] See MEPS documentation available at http://meps.ahrq.gov/mepsweb/data_stats/download_data/pufs/h128/h128doc.shtml#Appendix4 for a list of priority conditions.

This publication (#8383) is available on the Kaiser Family Foundation's website at www.kff.org.

The Kaiser Commission on Medicaid and the Uninsured provides information and analysis on health care coverage and access for the low-income population, with a special focus on Medicaid's role and coverage of the uninsured. Begun in 1991 and based in the Kaiser Family Foundation's Washington, DC office, the Commission is the largest operating program of the Foundation. The Commission's work is conducted by Foundation staff under the guidance of a bipartisan group of national leaders and experts in health care and public policy.

Extending Affordable Health Coverage to Older Adults — Medicaid Expansion

AARP believes everyone should have access to affordable health care. By expanding Medicaid this year, North Dakota can help hard-working people who have jobs without health insurance to get Medicaid health coverage if their incomes are less than $15,000 a year or 138 percent of the federal poverty level. AARP estimates this will mean approximately 4,366 50 to 64 year-olds could qualify for Medicaid in North Dakota.

This issue is particularly important to individuals who are over age 50 and not yet eligible for Medicare. These middle-aged adults are more likely to face the onset of health conditions that if left untreated could inevitably increase their need for and use of health and long term care.

Expanding Medicaid will provide coverage for individuals struggling to make ends meet. In addition, it will give people without insurance access to preventive care that can save lives, and ease dangerous and expensive emergency room overcrowding that hurts all of us.

Medicaid expansion under the Affordable Care Act will both expand access to health care coverage for people who desperately need it, and infuse the state's economy with hundreds of millions of dollars. Under the law, the federal government will pay the cost of the state's Medicaid expansion for three years beginning in 2014, and then the federal government's match rate gradually drops beginning in 2017, decreasing to 90 percent in 2020 and thereafter.

This means North Dakota has an opportunity to provide health care coverage to an estimated 32,000 uninsured residents by 2022 at no cost to the state for the first three years and no more than 10 percent of the cost in the future. North Dakota taxpayers will also find savings after expanding Medicaid due in large part to reducing the need for other medical service programs that are currently paid for now entirely by the state, like mental health services. Finally, hospitals and health care providers won't end up with uninsured patients using expensive emergency room care.

Beginning in 2014, those living between 100 percent through 400 percent of poverty will be eligible for a federal tax subsidy should they choose to purchase health insurance coverage through a health insurance exchange. If North Dakota fails to exercise the Medicaid expansion option as it currently exists, thousands of residents will not have access to affordable coverage and the state will, in fact, be creating a coverage gap for the poorest individuals and families under 100% of poverty who will have no access to health care subsidies.

AARP urges the State of North Dakota to participate in Medicaid expansion because it makes sense both for the health of North Dakota residents, and for the state budget. For those who will be newly eligible in 2014, North Dakota will be able to take advantage of the 100 percent federal match rate. Expansion meets the needs of over 32,000 individuals in the state, including 4,366 50-64 year olds, while taking advantage of federal dollars that can be used to ensure that all North Dakota residents have access to affordable health care coverage.

HB 1012
1/22/13 AM
Attachment 7

TESTIMONY
HOUSE BILL 1012 – DEPARTMENT OF HUMAN SERVICES
HOUSE APPROPRIATIONS – HUMAN RESOURCES DIVISION
REPRESENTATIVE POLLERT, CHAIRMAN
JANUARY 22, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Pat Herbel, from Bismarck, and a member of AARP.

I support Medicaid expansion for the uninsured in HB1012. It is estimated that over 13,000 North Dakotans between the ages of 50 and 64 are uninsured. Many are working low-income jobs with no access to health insurance.

Kaiser Family Foundation, who tracks health policy and trends, estimates that between 3 and 5,000 North Dakotans between the age of 50 and 64 will gain coverage through the expansion of Medicaid.

Small businesses may not offer healthcare; retail, service and agricultural workers are among those currently struggling without. The cost of health insurance is climbing rapidly, while wages are not. Medicaid expansion will ensure that low-income workers, with or without children, have access to basic health care.

Middle-aged adults are more likely to face the onset of health conditions that if left untreated could inevitably increase their need for long term care. Expansion will provide access to preventive care to detect and prevent the most deadly conditions and get previously unaffordable life-saving drugs. Preventive care, not emergency treatment, is the most cost-effective investment North Dakota can make regarding the health of our people. The best indicator that a person will skip preventive care is having no insurance, or not enough.

As a former educator who worked with Chapter I/TitleI/Basic Skills (as it was known) I noted the small group of children who just barely missed the eligibility criteria to receive services. With a little support at their critical juncture, their struggle to be successful would have been minimized. This is the very reason that I fully support this concept -

providing assistance to a small group of deserving citizens who are not eligible to receive services.

At this time when our state is leading all others in economic growth, how can we say no to ensuring the health and well-being of our working citizens?

I urge your support for Medicaid Expansion in HB1012.

Thank you for your time and consideration.

HB 1012
1/22/13 AM
Attachment 8

HOUSE BILL 1012
before the
HOUSE APPROPRIATIONS COMMITTEE
HUMAN RESOURCES SECTION
January 22, 2013

Chairman Pollert and Members of the Human Resources Section, my name is Mike Tomasko of West Fargo. I had hoped to offer my testimony in person, and I thank you for understanding an important commitment to my grandson to participate in his school program today and most importantly keeping my promise to his class to bring treats from Sandy's Donuts of West Fargo. I am very much aware that the important bill before you today, Medicaid expansion, has become mired in politics but that will not be the context of my testimony today.

The context of my testimony today comes from my career of 35 years as a health care administrator, CEO of Mid Dakota Clinic and an Administrator of the PrimeCare health group, both of Bismarck. In all those years not a week went by without me visiting with a handful of patients with the same refrains: *my family doesn't have insurance, I can't get insurance, my employer doesn't provide health insurance, I lost my job and can't afford to pay for company health insurance under COBRA,* or the one I heard most often *the Doctor says I need this test and I can't afford it,* this concerned our Doctors the most because preventive care delayed very often results in expensive emergency and critical care care at a latter date. I was thankful to be able to respond that our organization provided health care regardless of ability to pay for those truly in need, and indeed "charity care", so to speak, was a major line item in our budgets, and in the budgets of all the health care systems in our state. Most often these folks were some of your neighbors and mine going through an unfortunate time in their lives, and I add often reticent to accept help, indeed we often had to convince them to get the care now to prevent more serious health problems in the future.

On my retirement in 2007, I was pretty sure my involvement in such health care issues had come to an end. The opposite has been true and has of late intensified my involvement in health care issues relating to access, affordability, insurance and billing. There isn't a month that goes by that I am not approached by a neighbor, friend, or someone referred to me to sort through their health care insurance and billing issues.

This past fall I had the privilege of participating in the fall health care fair in Wahpeton, which was very well organized and attended. Along with presentations on health care, there was discussion about health care affordability and access. I was struck by a couple who had just turned 62, they told me they had just applied for early social security not by choice, but because the company where they worked for 30 plus years had gone "belly-up" - to use their term - and they found their pension money had been spent by the company. They said that social security is their only retirement income. They further told me that despite both having health problems they were at this time without health insurance and not accessing their Doctor for regular check ups and they just hope and pray they make it to age 65 when they will be eligible for Medicare. Good people who worked hard all their life, a case of when bad things happen to good people through no fault of their own. Expanding Medicaid would give this couple access to the preventive care they need.

I appreciate you allowing me to present this testimony and your consideration of this important legislation that could literally be the salvation for many who need that helping hand, for them this bill is very personal.

I said at the beginning that the politics of this bill would not be the context of my testimony today, but I will end by quoting our honorable Governor who recently said that "...politics shouldn't deter implementation..." a statement with which I wholeheartedly agree. Thank you.

###

HB 1012
1/22/13 AM
Attachment 9

Testimony on Behalf of
The North Dakota Economic Security & Prosperity Alliance (NDESPA)
House Bill 1012 – Department of Human Services
January 21, 2013

Chairman Pollert and members of the Human Resource Division of the House Appropriations Committee, I am Karen Ehrens from Bismarck and am here today as a volunteer for the North Dakota Economic Security & Prosperity Alliance. NDESPA is a coalition of citizens and organizations working to build assets for North Dakotans of low and moderate income through public policy change.

Even in these times of prosperity, people of low and moderate-income – 1 out of every 8 North Dakotans – struggle to make ends meet. More than 75 percent of these households have earned income – they are working people and families. There are more than 80,000 people living with low or moderate-income in North Dakota, nearly 25,000 of who are children. More than 9,600 of these people are senior citizens – those who helped build North Dakota into the great state we are today.

NDESPA supports Medicaid expansion for North Dakota, as do many others here today. We can probably all agree that North Dakota is a great place to live and raise a family. We care about our quality of life and we strive to live healthy lives. We want North Dakota to stay that way and, when our children grow up, we want this state to be the place they raise their children. For that to happen, we have to invest in the health of people because healthy kids need healthy parents. And healthy communities need a reliable and healthy workforce. Today, we are putting the health of our children, our families and our state at risk. Too many North Dakotans don't have reliable health care because our health care system is inconsistent. Some employers pay for health care and others not. Some North Dakotans have access through public programs and others not.

We can make healthcare more reliable and less risky for more North Dakotans by investing in our public health systems. Expanding Medicaid coverage can help ensure

that people see a medical provider when they are sick, and even before they get sick. Such coverage and preventive care options will preclude more costly crisis care in the future. Timely preventive services and medical care help to keep citizens productive and improve quality of life.

We urge the committee to take advantage of this unprecedented opportunity for an investment in the people of North Dakota.

Attached to this testimony is a list of NDESPA partners who support this effort.

I would be happy to take questions from the Committee.

North Dakota Economic Security and Prosperity Alliance

North Dakota Economic Security & Prosperity Alliance
(NDESPA) Partners
2013

North Dakota Women's Network
North Dakota Council on Abused Women's Services
North Dakota Disabilities Advocacy Consortium
North Dakota Head Start Association
North Dakota Community Action Partnership
AARP North Dakota
Catholic Charities of North Dakota
American Association of University Women in North Dakota
North Dakota Chapter of the National Association of Social Workers
Childcare Resource & Referral
Mental Health America of North Dakota
Children's Defense Fund in North Dakota
North Dakota Public Employees Association
Prevent Child Abuse of North Dakota

NDESPA works to build and sustain a system of economic security for all North Dakotans through poverty awareness and education, grassroots and community capacity building, research and data development, and promotion of policies and practices to eliminate disparities and obstacles for achieving economic security.

1003 E Interstate Avenue, Suite #7 Bismarck, ND 58503 NDESPA@agree.org

HB 1012
1/22/13 AM
Attachment 10

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 22, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Nancy McKenzie, Public Policy Director for Mental Health America of North Dakota (MHAND). I am here today to speak in support of HB1012, particularly Section 3, authorizing the Department of Human Services (DHS) to accept federal funds from the Patient Protection and Affordable Care Act (ACA) to implement the provisions for the Medicaid expansion.

The mission of Mental Health America is to promote mental health through education, advocacy, understanding and access to quality care for all individuals. We strongly support Medicaid expansion because it will cover so many individuals with mental health and substance use problems, many for the first time. Thus, it is a significant opportunity to improve treatment access for these people.

MHAND supports that Medicaid expansion in North Dakota is a positive and effective investment because:

1) Expansion is good for people -
   - Having coverage, and thereby improved access to healthcare, results in better health outcomes and resulting improved productivity;
   - For many individuals with serious mental health or substance use problems, we know that health status and average lifespan are currently less than that of the general public;

- Coverage provides protection against high medical costs, which for some individuals can result in bankruptcy and financial devastation; and,
- Medicaid expansion ensures that many people, often the "poorest of the poor" are not left out in the cold. Those with incomes <100% of the federal poverty level (FPL) would not be eligible for premium tax support for insurance products available through the exchange, so likely would remain uninsured without expansion.

2) Expansion is good for providers –
   - The list of providers who would see increased percentage of revenue from Medicaid is significant, including: nursing homes, community health centers, hospitals, and behavioral health providers. This is important because we all want to see our providers, including those in smaller, rural areas, benefit economically;

- We are all aware of the challenges of "uncompensated" care that North Dakota's providers have faced. The prevalence of individuals with mental illness in uncompensated emergency room care, for example, has had a big impact on hospitals. Presumptive eligibility will cover people who now present at hospitals uninsured; resulting in less uncompensated care; and,
- Under the ACA, even if Medicaid expansion is not implemented, states will still have reduced disproportionate share hospital (DSH) funding, so while need for compensated care may remain stable, there will be fewer federal funds to subsidize some of that care than is available today. As a result, some hospitals may see severe financial hardship, having to increase costs to paying patients or providing less uncompensated care.

3) Expansion is good for the state's economy –

- For the reasons noted in #2 above, Medicaid expansion will help free up state and local spending that now goes to uncompensated care;
- Medicaid expansion will avoid costs associated with transitions and churning as people's income and eligibility for insurance coverage fluctuate. Expansion provides stability in coverage, which means lower administrative costs in addition to continuity of care; and,
- Expansion will keep North Dakota residents' federal tax dollars flowing into the State. Taxpayers who live in states that do not implement expansion will be paying out dollars to states that do expand. New federal Medicaid dollars will travel through the state's economy and turn over multiple times.

Who is hurt by rejecting Medicaid expansion? Poorer adults with serious chronic conditions, and many of our North Dakota providers in the state whose ability to serve this population is so vital.

The opportunity we have to expand Medicaid is a very positive and unusual opportunity. The ability for more individuals to have the care they need, and to seek that care sooner because they have coverage, rather than waiting for a more costly and complex crisis, will truly mean more recovery. Treatment works, recovery is real, and we want individuals to be able to access that.

Some people express concern about the ability to pay the state's share of expansion, though, as we know, there will be some increase in Medicaid spending to states whether there is expansion or not. Electing to choose expansion allows a majority of increase to be paid with federal funds.

The Coalition for Whole Health has noted that those states who to date are strongly rejecting expansion tend to be those states that historically are low spenders on mental health community-based services, with more individuals in institutions. Conversely, states that have embraced expansion, tend to currently support strong community-based services, and have fewer individuals residing in institutions.

In closing, North Dakota has a strong history of continually moving forward to develop more community-based services that are evidence-based and provide the best opportunity for individual recovery. As a legislature, you have supported that philosophy and contributed to those improvements. Providers and advocates are proud that our state has done that, while recognizing that there are needs that remain to be met.

In North Dakota, as we all know, we are so fortunate to be in a better financial position than are many parts of the country. Mental Health America in North Dakota strongly urges you to support Medicaid expansion, for the multiple benefits it will bring to so many individuals, families, and providers. It's the right thing to do, and the right time to do it.

Thank you for giving me the time to testify today; I'll be happy to answer any questions you may have.

Interesting point:

- **"Rejecting" states are historically lower spenders on mental health and community based MH services (more in institutions)**
- **Accepting states spend more in these areas now, and have better community services**

HB 1012
1/22/13 AM
Attachment 11

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 22, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Tom Regan, member of the ND Rural Behavioral Health (RBHN). I am here today, on behalf of the ND RBHN, to speak in support of HB 1012, particularly Section 3, authorizing the Department of Human Services (DHS) to accept federal funds from the Patient Protection and Affordable Care Act (ACA) to implement the provisions for the Medicaid expansion.

The mission of the newly formed RBHN is: *To improve access to behavioral healthcare and eliminate behavioral health disparities in rural and tribal communities.* We strongly support Medicaid expansion because it will increase access to services for individuals with behavioral health (mental health and substance use) issues. The RBHN is made up of individuals and organizations that include providers, consumers, family members and advocates. Our Governance Committee consists of the original partners: ND Area Health Education Center (AHEC), ND Federation of Families for Children's Mental Health (FFCMH), Coal Country Community Health Center (CCCHC), Sakakawea Medical Center, Mental Health America of ND (MHAND), Essentia Health and the MHA Nation.

The following are the reasons we support Medicaid expansion:

- It will provide more individuals an opportunity to access behavioral health services;
- It will provide an opportunity to encourage individuals to seek behavioral health services before it becomes a need for more expensive emergency room and/or inpatient care;

- It will address the fact that, under the ACA even if Medicaid expansion is not implemented, states will still have a reduced disproportionate share of hospital (DSH) funding, so while need for compensated care may remain stable, there will be fewer federal funds to subsidize some of that care than is available today. As a result, some hospitals may see severe financial hardship, having to increase costs to paying patients or providing less uncompensated care;
- It provides an opportunity to keep North Dakota residents' federal tax dollars flowing into the state. Taxpayers who live in states that do not implement expansion will be paying out dollars to states that do expand.
- ND is experiencing a high rate of individuals with behavioral health issues becoming involved with the ND Department of Corrections and community services for those who are homeless. Medicaid expansion is part of the solution since accessing behavioral health services, before it becomes a crisis, can be a successful prevention strategy;
- We understand that, due to the economic development related to oil in western ND, the current behavioral health system is stretched to capacity. Medicaid expansion will be part of the solution to address the increased need for services.

RBHN urges support of Medicaid expansion for the multiple benefits it will bring to many individuals, families and providers. It's the right thing to do for the people we serve.

Thank you for giving me the time to testify today.

HB 1012
1/22/13 AM
Attachment 12

TESTIMONY
In Support of Vocational Rehabilitation OAR for Benefits Planning
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January, 22nd, 2013

Chairman Pollert, members of the House Appropriations, Human Resources Division, my name is Terry Peterson and live in Velva, ND. I've worked for Rehab Services, Inc., a private 501(c)3 non-profit in Minot, for 8 years. Currently, I'm North Dakota's only Social Security Benefits Planner and carry a case load of 840 North Dakota citizens with disabilities. I'm here today to offer testimony in support of North Dakota Division of Vocational Rehabilitation (DVR) OAR to secure additional Social Security Benefits Planning in North Dakota.

Nearly 13,000 North Dakotans with disabilities receive a Social Security benefit. Without access to accurate Social Security Benefits Planning, very few will have the opportunity to make a fully informed decision regarding employment.

The scope of Social Security Benefits Planning has been greatly reduced recently with the non-renewal of Federal Work Incentives Planning and Assistance (WIPA) grants and the loss of Medicaid Infrastructure Grant (MIG) awards. This has reduced the number of Benefits Planners in the state from 3 full time positions, to just 1, part time.

So many more people are falling through the cracks or not receiving the accurate

information they need. Before, with three Benefits Planners to cover the state, outreach was easier and case loads appropriate. As a team, we reached 1,230 ND citizens with disabilities per year, and wrote 270 detailed benefit analysis' on behalf of clients.

Now, 840 clients were dumped on one, part time position that continues to see 20+ unique referrals per month. The number of benefits analysis written has gone from 270 per year to 60.

We're not meeting the need. It's limiting citizen's choices, opportunities for community inclusion, opportunities for employment, North Dakota's potential cost-savings, and North Dakota businesses' access to an able and willing pool of potential employees that can help their business grow right along with the growth of our state.

I ask that you ensure that access to proper Benefits Planning is made available to the citizens of North Dakota with disabilities, by including DVR's OAR for additional Social Security Benefits Planning services in the budget.

Thank you for the opportunity to testify in support of this critical need.

Enclosures:

- Summary of ND WIPA satisfaction survey study (blue)
- Outcomes of partnership with DHS and DHS Benefits Planning recommendations (yellow)
- Full ND WIPA satisfaction survey study (white)

ND Benefits Planning Study Outcomes Summary

- **1/3rd** of respondents cited "fear of changes in benefits" as the reason they were not pursuing employment.
- **80%** were satisfied with the WIPA/Benefits Planning services they received.
- **80%** agreed that the Benefits Planner helped them understand their benefits and make a more informed decision about employment.
- After meeting with a Benefits Planner, **82%** of those unemployed decided to look for a job.
- After meeting with a Benefits Planner, **40%** pursued job training or education.
- **75%** utilized North Dakota Division of Vocational Rehabilitation.

Key Study Recommondations

- Continue funding ND WIPA
- Increase number of trained Benefits Planners in the state (one for all eight human service regions across the state)
- Increase exposure of Benefits Planning
- Continue ND Benefits Planning participant satisfaction survey annually or biannually
- Coordinate and train ND referral sources to help triage cases to Benefits Planners
- Streamline intake forms/process and database system for future analysis

Employment Development Initiative

DAWN PEARSON, PROGRAM ADMINISTRATOR, DIVISION OF MENTAL HEALTH AND SUBSTANCE ABUSE
MAGGIE ANDERSON, INTERIM EXECUTIVE DIRECTOR, DHS
JOANNE HOESEL, DIRECTOR, DIVISION OF MENTAL HEALTH AND SUBSTANCE ABUSE

9/20/2012

☒ A training structure for staff, administration, employers, and key stakeholders is critical. System change will not occur without the training component.

Activity 2: Benefits Counselors will hold meetings with consumers, case managers, recovery center staff, and peer specialists to provide information on impact of work activity on benefits and identify options and strategies.

A Benefits Counselor held 15 benefits counseling group sessions and presented at the ND Consumer and Family Conference. The sessions provided information on impact of work activity on benefits and instructed participants how to identify options and develop strategies so available work incentives are not overlooked and essential benefits are retained if possible. Participants were asked to rate their knowledge of Social Security rules and work incentives prior to the meeting; their knowledge of Social Security rules and work incentives after the meeting; and how relevant the meeting was to them and/or the people they serve. From the 198 surveys completed we were able to conclude that attendees, on average, increased their knowledge of Social Security rules and work incentives by 35%. We also found that 73% of the participants rated the relevancy of the presentations at a "3" or higher on a scale of 1 – 5.

Survey results indicate providing benefits counseling in a group structure is an effective means of increasing an individual's knowledge of Social Security rules and work incentives. EDI activities confirmed benefits counseling is an essential element of an effective employment system, allowing consumers to obtain accurate information to guide their decisions. A request for increased benefits planning services was submitted to the Department of Human Services for budgetary consideration.

Click here to view the Rehab Services, Inc. Final Project Report.

Recommendations:

- [x] Approve OAR submitted to DHS
- [x] Explore the option of providing benefits counselor training to Representative Payees as well as designated "employment champions" at each of the HSC/VR offices
- [x] Benefits Counselors continue to provide group sessions at Recovery Centers as resources allow

Activity 3: Development of an e-learning module covering the basics of the impact of employment on benefits.

An e-learning module covering the impact of employment on benefits was developed. The module is an efficient web-based tool allowing for wide-spread and ongoing benefits planning education which will enhance access to benefits planning services in our rural state.

A draft of the module is currently under review by consumers of SMI services and the final version will be available soon. A demo of the draft module can be viewed at:

https://www.cnd.nd.gov/STLPCatalog/325/REVIEWFILES/MHSAWork and your Benefits output/story.html.

Recommendations:

- [x] Develop a plan to market the new online benefits planning module to encourage widespread utilization

Activity 4: Employment Specialists will provide one-on-one coaching and group coaching sessions with individuals with SMI who are considering employment.

The COED Initiative (Community Options Employment Development) was formed and employment specialists provided 100 one-on-one coaching sessions to 43 individuals, as well as 8 group coaching sessions to 91 individuals with SMI considering employment. An additional eight group sessions are scheduled to occur in the next several months.

Employment specialists capitalized on the customer's personal strengths and motivations while assisting them to move into supported employment or directly into employment. Assistance with cover letter and resume development, interviewing, budgeting, goal setting, job search/application process, being professional, touring potential work sites, and time management was provided. The COED program viewed every customer as capable of working competitively in the community and placed particular emphasis on the following EBP Supported Employment principals:

- [x] *Eligibility is based on consumer choice*
- [x] *Job search starts soon after consumers express interest in working*
- [x] *Consumer preferences are important*

HB 1012
1/22/13 AM
Attachment 13

Testimony
House Bill 1012

House Appropriations
Human Resources Division

January 22, 2013

Chairman Pollert, Members of the committee. I am Michon Sax from Watford City. I am appearing before you today as a member of and volunteer for AARP of North Dakota in support of the funding for Home and Community Based Services.

In my professional life I was the administrator for county social service agencies in western North Dakota, serving three counties for two years, two counties for twenty-five years and my home county for the totality of my working career. During this time I experienced the inception of what was originally known as the Homemaker/Home Health Aide Program. This program has grown to what is now the HCBS Program, encompassing a wide range of services and funding streams.

The services offered under this program enable individuals who are elderly or disabled and have difficulty completing certain tasks to remain in their homes. The service offered can be as basic as light housekeeping, laundry, assistance with meal preparation, personal hygiene, and family personal care.

Funding streams include Service Payments for the Elderly and Disabled Program (SPED) which covers older or disabled individuals who have difficulty completing tasks that enable them to live in their home independently.

Expanded SPED pays for In-home and community based services for people who would otherwise receive care in a licensed basic care facility.

Testimony
Human Resource Division
January 22, 2013

The Medicaid Waiver from the federal government allows the state to use Medicaid funds to provide services to eligible individuals who would otherwise require nursing home care to remain in their own homes or communities.

In addition to county social service agencies providing this care, there are individuals and agencies in some areas of the state providing the care. Referred to as Quality Service Providers, the current rate for the delivery of this service is $4.41 a unit (fifteen minute segments). In western North Dakota where distance to access rural client homes is an issue, as well as the impact of the oil boom, this is an inadequate payment. There is no payment for windshield time or the time it take to do paperwork; so a three hour client related time could receive payment for only one hour. Thus the number of QSPs is limited; with McKenzie County having no QSPs.

Being able to offer a service to the community allowing individuals to live basically independently in their homes, with limited assistance, is one of the premium services available through Human Services in the State of North Dakota.

Prior to retiring and continuing after retirement, I have assisted a family friend in continuing to live independently. With the help of the community and the local social service agency, this woman, who has been afflicted with severe arthritis since her forties, is able to live in Senior Citizen housing, having moved from the family home where she was very isolated. She holds a part-time job and uses the transportation services, mainly the bus with the lift, available through Aging Services to access her employment, do her shopping and other errands. She participates in congregate meals at the Senior Center. She has the services of an in-home care specialist. Without this array of services, she would not enjoy the quality of life that she does.

Testimony
Human Resource Division
January 22, 2013

Quality of life is important to all of us and I hope that the current services are available to all who need it when the time comes. Adequate and continued funding for these essential services is vital.

Thank you.

HB 1012
1/22/13 AM
Attachment 14

House Bill No. 1012

Testimony in Support

Northland Healthcare Alliance

January 22, 2103

Chairman Pollert and members of the House Human Resources Appropriations Committee, My name is Vicki and I have been a participant in the Northland PACE program here in Bismarck since March 1, 2012.

My diagnoses at that time included anxiety, aphasia, cerebral cysts, malignant metastatic breast neoplasm, pleurisy, localization-related epilepsy, hypothyroidism, and shortness of breath. When I joined PACE I was to be on end of life care.

By way of background, I had my first facial seizure in August of 2011. While in the ER, brain masses were discovered, so I was admitted to the hospital. They did not know what the masses were, so I was put on seizure medication and they began monitoring these masses. By coincidence, I toured an assisted living center where they referred me to Northland PACE. I was ultimately accepted into the program. That was the first miracle, and then I wanted to hang on! For a while I held my own. But then a rapid decline began; my left side was becoming paralyzed. I became anxious and depressed, had cognitive losses, couldn't talk normally, had trouble with eating, became incontinent, dizzy, and had to use a walker.

PACE set me up with a doctor for another opinion, who told me that without treatment I did not have long to live. He wanted me to go to Mayo, which PACE immediately arranged. After many tests and interviews, I had brain surgery. Within a few days my speech had improved drastically and I was walking again! I just returned to life! I have renewed optimism and will-power to regain the rest of my life. I could not have functioned a full day without PACE, they helped me with everything. Because of the loving care of PACE staff, whatever happens, you do not feel embarrassed or guilty. My friend said, 'PACE sounds too go to be true', however, it is an exception because it is true! I thank PACE with all my heart for my life!

HB 1012
1/22/13 AM
Attachment 15

House Appropriations Human Resources Division

January 22, 2013

Chairman Pollert and members of the House Appropriations Human Resources Division, my name is Tammy Theurer. I am the Director for St. Alexius Home Care & Hospice and a member of the governing council of the North Dakota Association for Home Care. The North Dakota Association for Home Care (NDAHC) represents Home Health Care Agencies (hospital-based, county, nonprofit, and proprietary) and their branches, providing care throughout ND, allowing clients to remain in their homes.

I'm here today representing the NDAHC.

Our association is supportive of HB1012 and the provisions specific to Home and Community Based Services, particularly those addressing a wage pass through, annual inflationary increases, and a travel differential for the Qualified Service Provider (QSP) program. We are appreciative of the consideration of these very important rate increases to help meet basic expenses incurred by QSP providers.

If changes are considered for any of these provisions, we respectfully request that there be consistency in the provisions for each of the provider types providing similar services to various populations.

Thank you for your consideration. If there are any questions, I'd be happy to address them.

HB 1012
1/22/13 AM
Attachment 14

TESTIMONY
House Bill 1012 – DHS / LTC Continuum – QSP Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 21, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am here today to give testimony on the Aging Services section of the long term care continuum in HB 1012

The North Dakota Association of Community Providers is made up of 29 organizations across the state. Of those agencies, 12 are registered to provide QSP Services. Among our agencies, Easter Seals Goodwill is the largest provider of QSP Services.

We are requesting your support for the Governor's budget, which includes an increase of 4% each year of the biennium. We are also requesting support for a $1.00 per hour increase. The Governor's budget includes $.50 of this request. We also support the increase in the Governor's budget which will assist with the mileage costs for QSPs as we believe it will allow QSPs to continue to provide services to ND citizens with disabilities.

Chairman Pollert, this concludes my testimony. I would be happy to answer any questions.

HB 1012
1/22/13 AM
Attachment 1

TESTIMONY
HOUSE BILL 1012 – DEPARTMENT OF HUMAN SERVICES
HOUSE APPROPRIATIONS – HUMAN RESOURCES DIVISION
REPRESENTATIVE POLLERT, CHAIRMAN
JANUARY 22, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Rita Cole, a member of AARP and Maple River Senior Citizens in Enderlin, ND. I am also a volunteer at the Senior Center. Today, I request your support for the Home-Delivered and Congregate Meals funding enhancements in House Bill 1012.

Home-Delivered and Congregate Meals support independent living for older North Dakotans by providing healthy meals, promoting health and disease prevention, reducing malnutrition risk, and increasing social interaction and engagement.

North Dakota is an aging state. In 2010, according to the census, we had 97,400 people 65 and older. Over 16,000 were 85 or older.

Enderlin is a city in Cass and Ransom counties. The population was 886 at the 2010 census. 29% were 45 to 64; and 25% were 65 or older.

I'm 75 and I am youngest of those who eat congregate meals daily!

An example of the importance of congregate and home-delivered meals in our community is the Holiday dinner before Christmas. We served 62 congregate and 31 home-delivered meals, that day. That is a total of 93 meals; more than 1/10th of our population!

The socialization extended beyond dinner to a Christmas party with kindergarteners followed by entertainment from one of the school choirs. People who might not have contact with anyone else throughout the day celebrated at our center.

In most circumstances, home-delivered meals are the only contact some of our senior community members have with others. They may have no one checking daily to see if they are okay.

Maple River Senior Citizens is just one small center in North Dakota. We make our community more livable and healthy by serving Congregate and Home-Delivered meals.

I urge you to support HB1012.

Thank you for your time and consideration.

HB 1012
1/22/13 AM
Attachment 18

TESTIMONY
HOUSE BILL 1012 – DEPARTMENT OF HUMAN SERVICES
HOUSE APPROPRIATIONS – HUMAN RESOURCES DIVISION
REPRESENTATIVE POLLERT, CHAIRMAN
JANUARY 22, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Wilfred Schill, from Langdon and am an AARP member.

I am here today to ask that you strengthen the Home and Community Based Services Enhancements in House Bill 1012.

HB1012 includes resources for Home and Community Based Services which allow older people to have choices to live in our own homes with dignity and have the support we need to be independent. We should be able to live in our own communities and participate in meaningful activities.

Individuals need home and community-based services -- such as assistance with meal preparation, bathing and dressing, light housekeeping and other chores – to remain independent in their homes and communities.

Many people receive the help they need from uncompensated family and friends, but not everyone has that support. That's why Qualified Service Providers, for example, are essential. They do not need to have a special certificate or license, but they do need to prove they have the skills to provide care.

QSPs may be the only way a person can stay at home.

I urge you to support HCBS enhancements in HB1012.

Thank you.

HB 1012
1/22/13 PM
Attachment 1

North Dakota Disabilities Advocacy Consortium (NDDAC) Testimony
HB 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert – Chairman
January 22, 2013

Chairman Pollert and members of committee, my name is Tom Alexander from Minot and I am a Project Director at ND Center for Persons with Disabilities (NDCPD) located on the campus of Minot State University (MSU). I am here to provide you information on the Department Human Services OAR request of $540,000 for Employment Benefits Planning.

The Ticket to Work and Work Incentives Improvement Act of 1999 authorized Social Security to award grants to community-based organizations (Rehab Services, Inc. – Minot) throughout the U.S. and the U.S. territories. This grant program, called Work Incentives Planning and Assistance (WIPA), provided SSDI and SSI disability beneficiaries (including transition-to-work aged youth) with free access to information about work incentives, benefits planning, job placement and career development. Current funding for the WIPA program grantees has ended. Therefore, the 102 WIPA projects across the U.S. and the U.S territories no longer have current Social Security funds available to continue to provide services to beneficiaries.

North Dakota's WIPA started in 2000 with one half-time position and in 2006 ND Medicaid Infrastructure Grant was able to fund another position to assist the ND WIPA program to expand capacity to ND Social Security beneficiaries. Additionally in 2008, ND Division of Vocational Rehabilitation also funded a position creating a unique partnership to service ND citizens who received Social Security Beneficiaries. In August of 2012, one of the

WIPA positions was cut due to ND MIG ending. To date, there is one part-time position which is funded by ND VR.

The ND WIPA project's main objective is to provide information to recipients regarding how going to work or increasing earnings may affect their Social Security benefits. The ND WIPA also looks at other benefits a consumer receives and assesses how employment may affect those benefits. This information allows the recipient to make a more informed choice about employment, which may include choosing not to go to work or increasing earnings. This information is seen as valuable in encouraging employment because often recipients are unwilling to even consider work for fear of losing public benefits, especially Medicaid health care coverage. Many of these individuals have significant health care needs and rely on Medicaid. If they obtain a better understanding of the impact of employment on their benefits, they may be more willing to consider employment, thereby reducing their dependency on public benefits.

In 2012, Ms. Amy Armstrong, a Project Director with NDCPD at MSU, surveyed ND WIPA program recipients. The goal of this study was to evaluate the outcomes and consumer satisfaction of the program by considering the following questions:

- What needs are or are not being met through the WIPA program? What areas of the WIPA program are strengths and what areas can be improved?
- Having met with a Community Work Incentive Coordinator, in what ways do consumers feel they are more informed about the impact of seeking employment or increasing earnings?
- What changes has the program been associated with regarding an increase in the number of people who are employed, i.e., or changes in ND WIPA clients' employment status or earnings?

The following information are some of the key findings.

Informed of Impact of Employment

Answer Options	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Response Count (n)
The Community Work Incentive Coordinator (CWIC) / Benefits Planner helped me understand how employment would affect my benefits.	34 (49.2%)	22 (31.8%)	10 (10%)	1 (1.4%)	2 (2.9%)	69
The information I received from the Community Work Incentive Coordinator (CWIC) / Benefits Planner helped me make informed decisions about employment.	31 (44.2%)	25 (35.7%)	10 (14.3%)	2 (2.9%)	2 (2.9%)	70

(Armstrong, 2012)

Employment Action Taken After Meeting with a Community Work Incentive Coordinator (CWIC) / Benefits Planner by Individuals Who Were Employed at the Time of First Meeting. (n=31)

Answer Options	Yes	No	No, but I plan to	Response Count
Increased the number of hours you work?	8 (25.8%)	23 (74.2%)	0	31
Increased your earnings from your job?	14 (45.2%)	17 (54.8%)	0	31
Decreased your earnings from your job?	7 (24.1%)	22 (75.9%)	0	29
Quit your job?	5 (17.2%)	24 (82.8%)	0	29
Sought a new or additional job?	5 (16.7%)	24 (80%)	1 (3.3%)	30

Note. Response count per question varies because rather than indicating "no," some respondents did not answer the question if it did not apply to them. Also the total response count equals more than n=31 due to participants responding with more than one answer selection.

(Armstrong, 2012)

Employment Action Taken After Meeting with a Community Work Incentive Coordinator (CWIC) / Benefits Planner by Individuals Who Were Unemployed at the Time of First Meeting. (n=36)

Answer Options	Yes	No	No, but I plan to	Response Count
Looked for a job?	22 (81.5%)	3 (11.1%)	2 (7.4%)	27
Gotten a job?	18 (58%)	13 (41.9%)	0	31
Pursued training or education for a job?	10 (40%)	13 (52%)	2 (8%)	25

Note. Response count per question varies because rather than indicating "no," some respondents did not answer the question if it did not apply to them. Also the total response count equals more than n=36 due to participants responding with more than one answer selection.

(Armstrong, 2012)

Current Employment Status (n = 69)

Answer Options	Response Percent	Response Count
Working	59.4%	41
Not working - but currently looking for a job	23.2%	16
Not working - NOT looking for a job	17.4%	12

(Armstrong, 2012)

WIPA Program Referral Source

	Number referred from Organization	Percentage of total respondents (n= 62)	Number of Current ND WIPA Beneficiaries (n=970)	Percentage of Current ND WIPA Beneficiaries (n=970)
Developmental Disabilities agencies	4	6.5%	65	6.7%
Division of Vocational Rehabilitation	22	35.5%	462	47.6%
Community Rehab Provider	4	6.5%	59	6.1%
Mental Health Provider	1	1.6%	37	3.8%
WIPA program Outreach	5	8.1%	27	2.8%
Employment Network	3	4.8%	17	1.8%
Housing Assistance Agency	0	0	8	.8%
Medicaid Eligibility Office	1	1.6%	4	.4%
Veterans Affairs Office	0	0	2	.2%
Social Security Administration Office	1	1.6%	4	.4%
Work WIIRC – 2	1	1.6%	20	2.1%
One Stop (Job Service)	1	1.6%	2	.2%
Other	16	25.8%	229	23.6%
Unspecified	3	4.8%	60	6.2%

Note. The "respondents" column in this table shows the total number of survey respondents included in the administrative data set (n=62). It is important to note that 8 of the entire 70 survey respondents did not enter their random number so administrative data could not be analyzed. The "Current ND WIPA Beneficiaries" column of this table includes the number and percentage of current ND WIPA Participants (970) as a comparison.

(Armstrong, 2012)

The following specific case scenarios also support the need for continued funding for ND CWICs.

In the fall of 2010, Seth, a 35 year-old male from Fargo, North Dakota, contacted CWIC Mark of the Fargo office. Seth was entitled to Social Security Disability Insurance (SSDI) benefits in the rounded-down

amount of $1,098 per month. He worked part time as a customer service representative for a bank. In October 2010, the Social Security Administration (SSA) found that Seth completed a trial work period, that he had demonstrated the ability to do "substantial work" as of February 2007, and that his disability accordingly ended as of February 2007. The SSA terminated Seth's SSDI benefits and also informed him that he been overpaid more than $40,000 in SSDI benefits because he received SSDI benefits after benefit termination.

After investigating the matter, CWIC Mark found that Seth had significant unreimbursed costs for medications that Seth needed to control one of the impairments for which Seth was being treated by a physician. The CWIC Mehlhoff assisted Seth in drafting a request for reopening of the decision of SSA and in submitting evidence of impairment-related work expenses (IRWE). The SSA reopened the matter and, after deducting IRWE for Seth's medication and averaging Seth's earnings, found that Seth's countable earnings did not exceeded SGA. Seth's SSDI benefits were therefore be reinstated. Thus, with the assistance of CWIC Mehlhoff, Seth was able to establish and use the work incentive of IRWE. There was no break in Seth's entitlement to SSDI benefits, and he was not overpaid SSDI benefits.

Using the work incentive of IRWE, Seth has been able to work as many hours as his impairment will allow him to do and to have gross earnings above the SGA guideline with countable earnings less than SGA

JP is a 34-year-old resident of Grand Forks, North Dakota, and has a mental/emotional impairment. He has received Social Security Disability

Insurance (SSDI) benefits for many years. Notwithstanding his impairment, JP worked in part-time jobs for a number of years and completed a trial work period in 2003. His 36-month extended period of eligibility ended in 2006.

In April 2011, JP started a job as a maintenance associate at a Wal-Mart store in Grand Forks, North Dakota. He initially worked 34 hours per week for a wage of $8.00 per hour. A job coach initially worked with JP at his job site 26 hours per month to help JP learn the job. With gross earnings of about $1,170 per month, JP's earned income was above the substantial gainful activity (SGA) guideline of $1,000 per month. However, the job coaching JP received was a special condition, the value of which he could deduct from his gross compensation. After the special condition deduction was applied, his countable earnings were about $962 per month, which amount is below the SGA guideline. The CWIC helped JP's job coach and vocational counselor provide evidence to SSA of the special condition under which JP worked.

The CWIC also informed JP of the work incentive of extended Medicare and recommended that JP apply for the Workers with Disabilities (WWD) Medicaid buy-in program.

JP has learned to successfully and independently perform all of the tasks of his job, and it is expected that he will no longer require job coaching. His work schedule will increase to 40 hours per week in July 2011. His gross earnings will then be about **$1,376** per month, which is above the SGA guideline. JP realizes that his earnings will prevent him from continuing to receive SSDI benefits. However, he is proud of his

progress in employment and of the fact that he is becoming self-sufficient. The work incentive of expedited reinstatement remains available to JP should his medical condition worsen and prevent him from performing substantial gainful activity in the future.

Recommendations from Ms. Armstrong's thesis indicated the ND WIPA program has a positive effect on employment of people with disabilities. Her report supports that the ND WIPA program has been successful in encouraging employment and dispelling myths regarding employment and fear of losing public benefits. The follow excerpt is taken from Ms. Armstrong's report.

These recommendations for sustainability of benefits planning services in North Dakota include not only rational for additional state and federal funding but also support efforts for expansion and enhancement of the ND WIPA program.

- Continue funding for ND WIPA, consider state funds as well as community disability service provider agency funds; there is much education left to be done surrounding benefits planning and there are many people with disabilities not yet employed.
- Increase the number of trained benefits planners in the state to adequately provide services to SSA beneficiaries across the state; one benefits planner in each of the eight human service regions across the state would be important to consider.
- Improve access to education and awareness of benefits planning and work incentives to self-advocates, families, disability service providers (VR staff, community rehab providers, eligibility workers, etc.), and transition teachers, and pre-service teachers to help dispel myths, encourage employment, and educate referral sources about benefits planning services. Annual trainings should be offered to new staff and also refresher courses to other staff at disability service agencies and schools; as well as providing awareness

training annually to self-advocates, students, and families.

- Continue to conduct a ND WIPA participant satisfaction survey annually or biannually. It is important that this survey be conducted on a regular basis by an outside party. In this way, the information gathered would be current and could be compared from one year to the next. This information would be vital to improving services and in providing rational to funding sources regarding the quality of the program.
- Coordinate and train ND WIPA referral sources to assist with gathering basic intake information from consumers, this would speed up the referral process and allow for smoother transition to WIPA services.
- Streamline the WIPA / Benefits Planning services intake forms so the information gathered and obtained can be imported into a unified and user friendly data base for ease of future analysis of services.

These recommendations support the continuation and expansion of the ND WIPA program. All of these recommendations would enhance and build on the current WIPA program that is a vital resource and service for people with disabilities. (Armstrong, 2012)

There are over 20,000 job opportunities in ND according to home of page of ND.GOV. History has shown that ND citizens want to work and have worked. ND has had the lowest unemployment in the US for many many years even prior to the energy boom. This remains true for people with disabilities. ND has the highest employment rate of people with disabilities in the US at 56% according to Cornell University. However, this number is not high enough. By funding the OAR request of DHS you would be creating a service that would give individuals with disabilities opportunities to maximize their employment abilities as well as create opportunities in every region of ND.

HB 1012
1/22/13 PM
Attachment 2

HB1012- SUPPORT Long Term Care HCBS Services
Tuesday, January 22, 2013
House Appropriations Committee, Human Resources Division

Josh Askvig- AARP-ND
jaskvig@aarp.org or 701-989-0129

Chairman Pollert, members of the House Appropriations Committee Human Resources Division, I am Josh Askvig, Associate State Director of Advocacy for AARP North Dakota. Thank you for this opportunity to add our support to some key long-term care budget provisions included in HB1012.

AARP is a nonprofit, nonpartisan membership organization with nearly 88,000 members in North Dakota and 37 million nationwide. We understand the priorities and dreams of people 50+ and are committed to helping them live life to the fullest, including here in North Dakota.

I am here to speak in support of the appropriations in HB1012 for:

1. The increases in funding for Home and Community Based Services enhancements- including SPED, home delivered meals 7 days a week to SPED and ExSPED clients, extended personal care services and QSP service enhancements
2. Wage increases and mileage reimbursements for Qualified Service Providers

As I mentioned yesterday, in a survey of North Dakotans 50 and older that AARP released in 2011, more than half of those surveyed said they were worried about staying in their own homes as they aged. Almost half believed it would be hard to find appropriate long-term care services when they are needed and that they could afford.

Staying in their own homes as they age has always been very important to North Dakotans 50-plus. That's why funding for home- and community-based services is so critical. That includes congregate and home-delivered meal programs, which not only provide older North Dakotans with the nutrition they need to stay healthy, but also social interaction with others. Expanding this service to 7 days a week for SPED and ExSPED makes sense and as we mentioned yesterday could save the state some resources in the long run.

Not only do HCBS services make sense for individuals they are cost effective. According to AARP's Research Publication, *Across the States- Profiles of Long-term Services and Supports,* "Per person, nursing facility services are almost three times as costly as HCBS for older people and adults with disabilities. In 2008, Medicaid spending for HCBS—waiver and state plan personal care services (PCS)—for each older person and adult with physical disabilities receiving services averaged $10,957, compared with $29,533 for each person receiving services in a nursing facility. Home health care, which is often used for short-term post-acute care, averaged $5,495 per person served." I included a chart from page 16 of the 2012 report that shows the national data breakdown. I also included the In-brief version of the 100+ page report.

Making enhancements that allow people to stay at home is part of the equation. You also need a quality workforce to deliver those services. Qualified services providers (QSPs) are also a critical link in the delivery of home- and community-based services.

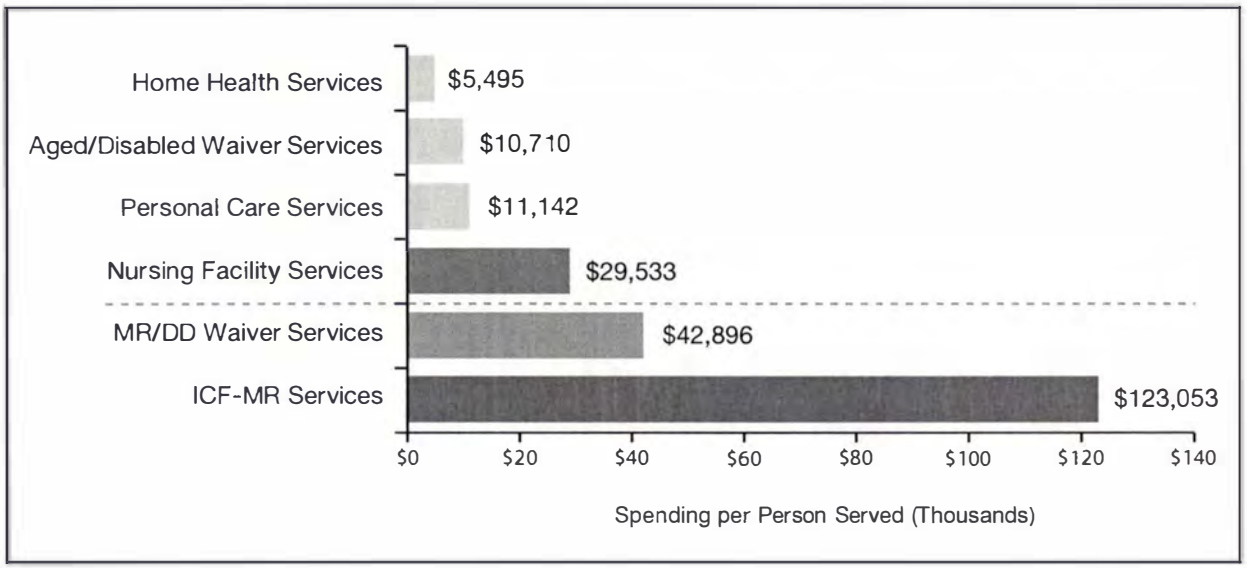
In North Dakota, there are an estimated 109,000 people who provide care to a friend of family member. The value of that care is estimated at $830 million. The care they provide helps loved ones remain in their homes and communities.

However, not everyone has a friend or family member to help them live independently and that's where the services provided by direct care workers become critical. These providers are small businesses and workers in your communities who contribute directly to the community's financial base, and they deserve to be paid fairly for the services they provide. That includes the time and expense they incur traveling from one client to another, especially in rural areas. The differential called for in the budget could be very helpful in attracting QSPs for our small towns.

Thank you for the opportunity to present our views on funding needs that allow North Dakotans to live with dignity in the setting of their choice and avoid more costly institutional care.

7: On average, Medicaid dollars can support roughly three people with home and community-based services for every person in an institution.

Medicaid Long-Term Services and Supports Spending per Person Served, by Service, 2008



The need for LTSS is associated with growing old. However, people of all ages need LTSS. The services and supports needed by these populations—older people, adults with physical disabilities, adults with intellectual disabilities, and others—as well as the costs of these services and supports, are very different. However, for all populations, the typical cost of HCBS is about one-third the cost of institutional care.

Per person, nursing facility services are almost three times as costly as HCBS for older people and adults with disabilities. In 2008, Medicaid spending for HCBS—waiver and state plan personal care services (PCS)—for each older person and adult with physical disabilities receiving services averaged $10,957, compared with $29,533 for each person receiving services in a nursing facility. Home health care, which is often used for short-term post-acute care, averaged $5,495 per person served.

Likewise, for people with intellectual disabilities, the cost of institutional services in an Intermediate Care Facility-Mental Retardation (ICF-MR) averaged $123,053 per person, nearly three times the average cost of HCBS ($42,896). States have been shifting Medicaid resources toward HCBS to "balance" Medicaid LTSS spending. In general, states are further ahead in their efforts to deinstitutionalize by closing ICF-MRs and serving more people with intellectual disabilities in the community.

AARP Public Policy Institute

CELEBRATING 25 years

In Brief

Across the States 2012: Profiles of Long-Term Services and Supports

Ari Houser, Kathleen Ujvari, and Wendy Fox-Grage
AARP Public Policy Institute

***Across the States 2012* provides the latest available data on long-term services and supports in the United States. Comparable state-level and national data for more than 140 indicators are drawn together from a wide variety of sources and presented in easy-to-use maps, graphics, tables, and state profiles.**

This *In Brief* highlights trends noted in the ninth edition of the research report, *Across the States 2012: Profiles of Long-Term Services and Supports,* produced by the AARP Public Policy Institute.

Published for the past 18 years, the *Across the States* series helps inform policy discussions among public and private sector leaders in long-term services and supports (LTSS) throughout the United States. The report presents state and national data for more than 140 indicators, drawn from a wide variety of sources.

Across the States 2012 comes in two volumes: The full report provides a comprehensive picture of LTSS in each state; the Executive Summary provides an overview of key findings and ranking tables for each indicator, permitting readers to see variations among states.

Given the aging population, rising demand for LTSS, and increasing cost of services, consistent data across all states are essential to understand how to improve the lives of those who need LTSS and their family caregivers. *Across the States 2012* identifies the following key findings:

The Population Age 85 and Older Will Triple from 2012 to 2050

People age 85 or older have much higher rates of disability than younger people and are also more likely to be widowed and without someone to provide assistance with daily activities. A key barometer for the potential demand for LTSS is the growth in this population, which is expected to triple from 2012 to 2050.

People of Color Will Comprise Nearly Half of the Population Age 65 and Older by 2060

In 2010, one out of every five people age 65+ was nonwhite or Hispanic. By 2060, it is projected that 46 percent of the age 65+ population will be people of color. The growing ethnic and racial diversity of the older population has enormous implications for meeting diverse LTSS preferences, addressing the role of paid and unpaid caregivers, providing services with cultural sensitivity, and training the paid LTSS workforce in cultural competence.

A High Percentage of Older People are Economically Vulnerable, Often Qualifying for Publicly Funded LTSS

The proportion of older people who have income below 250 percent of the poverty line is much higher than for the working-

age population. This will have significant ramifications in the future because older people of modest income are most likely to rely on publicly funded LTSS.

Family Caregivers Provided $450 Billion Worth of Care, Much More than Public or Private Funding for LTSS

Although Medicaid is the primary payer of LTSS, family caregivers are the foundation of the LTSS system. The estimated economic value of their contributions was $450 billion in 2009, almost four times as much as total Medicaid LTSS spending and almost seven times the amount of privately paid LTSS and home health care.

Nursing Facility Expenditures Are Nearly Twice as High as Home and Community-Based Services Expenditures

The number of older people and adults with physical disabilities receiving home and community-based services (HCBS) is increasing at a greater rate than the number of people living in nursing homes. However, publicly funded nursing facility expenditures remained nearly twice as high as HCBS expenditures in 2009.

Medicaid HCBS Spending per Person is One-Third of Publicly Funded Nursing Facility Spending

The typical cost for HCBS is about one-third the cost of institutional care. However, 64 percent of Medicaid LTSS dollars for older people and adults with physical disabilities went to nursing facility care, even though most people prefer to live at home.

Registered Nursing Hours Correlate Strongly with Nursing Facility Quality

The number of direct care registered nurse (RN) hours per resident day correlates strongly with nursing facility quality measures. States with more direct care RN hours tended to have lower rates of pressure sores, lower use of restraints, and fewer hospital admissions.

Supply of Assisted Living Is Catching Up to Nursing Facilities

From 2007 to 2010, the supply of assisted living units increased almost 18 percent, to 1,233,690 units. During the same period, nursing facility bed supply remained constant at about 1.7 million beds. This trend demonstrates consumer preferences for alternatives to nursing facilities.

In Brief #INB 198, September 2012

This In Brief is a synopsis of the AARP Public Policy Institute Research Report by Ari Houser, Kathleen Ujvari, and Wendy Fox-Grage.
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In Brief

HB 1012
1/22/13 PM
Attachment:

Protection & Advocacy Project

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Bismarck, ND 58501-4071
Phone: (701) 328-2950 Fax: (701) 328-3934

January 22, 2013

Chairman Pollert
House Appropriations-Human Resource Division

Re: Public Comment on House Bill 1012

Chairman Pollert and Members of the House Appropriations-Human Resource Division:

I referenced "Order of Selection" in my testimony during the public comment on Vocational Rehabilitation yesterday morning. I realized after I sat down that my testimony may not have provided enough background regarding the meaning of order of selection or its impact on people with disabilities who need assistance in getting and keeping a job. I am attaching a document from the Division of Vocational Rehabilitation which explains what order of selection means. In a nutshell, it means rationing and prioritizing Vocational Rehabilitation services due to insufficient funding. The primary result of the state's implementation of order of selection is long waiting lists for services. It is my understanding that this waiting list may exceed one thousand people with disabilities waiting for needed VR services.

My testimony also touched on the need for funding for employment benefits planning services. As you may know, employment benefits planning was one of the OARs that was not included in the Executive Budget. To address this issue in more detail, I have asked Terry Peterson, from Rehab Service Inc., to come to this committee tomorrow to provide you with additional information on the importance of employment benefits planning

I would like to thank you for allowing me the opportunity to provide testimony regarding the importance of adequate funding for Vocational Rehabilitation, Extended and Employment Benefits Planning services that are vital to the success of people with disabilities who want to work.

ww.ndpanda.org
ay ND: 711 (TTY)
Toll Free: 1-800-472-2670
24 hour emergency service: 1-800-642-6694

If you have any questions about these services please feel free to contact me. I will do my best to research the answers to your questions.

Sincerely,

Vickay Gross
Disabilities Advocate
Protection & Advocacy Project
vgross@nd.gov
701-328-2950

DIVISION of VOCATIONAL REHABILITATION
State of North Dakota

State Office
1237 W. Divide, Suite 1B
Bismarck, ND 58501-1208
Phone: 1-701-328-8950
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Fax: 1-701-328-8969
www.nd.gov/dhs/dvr

March 21, 2012

WHAT DOES IT MEAN TO IMPLEMENT AN ORDER OF SELECTION

"Order of Selection" is a procedure where the Division of Vocational Rehabilitation (DVR) does not have sufficient financial resources to serve all people who are eligible for services. Order of Selection uses wait lists to manage the available financial resources. Individuals with the most significant disabilities will be given priority on the wait list. During or shortly after the eligibility determination, individuals will be assigned an Order of Selection category based on the severity of their disability.

Individuals will be categorized into one of the three following categories based upon the number of limitations in functional capacities in the areas of mobility, motor skills, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills. Individuals who are Social Security recipients due to their disability will be considered in Priority Category II or I. Priority Category I is the highest category while Priority Category III is the lowest category and the first group to be put on a wait list.

Following is a description of the three categories:

PRIORITY CATEGORY I – Individuals with the most significant disabilities are:

1) those who meet the criteria for significant disability as described below in Priority Category II, but are seriously limited in two or more functional capacities in terms of an employment outcome; and
2) require multiple core services over an extended period of time (six months or more).

PRIORITY CATEGORY II – Individuals with significant disabilities are:

1) those who have a significant physical or mental impairment which seriously limits one functional capacity;
2) whose Vocational Rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time (over six months); and
3) who have one or more physical or mental disabilities resulting from: amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorder, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions,

sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs to cause comparable substantial functional limitations.

PRIORITY CATEGORY III – Other individuals with disabilities

The number of individuals that will be placed on the wait list will depend on our available financial resources. As our resources and expenditures change, we may need to adjust the priority categories that are placed on the wait list. For example, circumstances may require us to place all individuals in Priority Category II and III on a wait list and for individuals in Priority Category I, defer services for a period of time until the funds become available.

WHAT WILL IT MEAN FOR CURRENT INDIVIDUALS?

The Order of Selection was implemented on March 16, 2012. Those who are currently on an IPE will not be put on a wait list. However, revisions to VR policies and practices may affect the level of VR financial participation. There are 2,558 eligible individuals currently receiving services.

WHAT WILL IT MEAN FOR APPLICANTS?

We will inform each person applying for services about our Order of Selection procedures. Once an individual is determined eligible, they will be put on a wait list. Based upon the current financial situation, the Division anticipates implementing the Order of Selection to all Priority Categories. Our goal is to begin serving individuals in Priority Category I as funds become available. Individuals first served in this category will be based upon their application date. We will provide information and appropriate referrals.

IMPLEMENTATION OF THE ORDER OF SELECTION

The 2,558 individuals who currently have an IPE will not be placed on a wait list. The Division of Vocational Rehabilitation has approximately 2,025 individuals determined eligible for services each year. These individuals are distributed between the three OOS categories. Approximately 13% fall into the lowest Priority Category III; 47% fall into Priority Category II; and the remaining 40% fall into the highest Priority Category I.

HB 1012
1/22/13 PM
Attachment 4

Testimony on HB 1012
House Appropriations – Human Resources Division
January 22, 2013

Good Morning Chairman Pollert and members of the House Appropriations – Human Resources Division. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. We represent assisted living, basic care, and nursing facilities. I am here to testify in support of HB 1012.

I am here to testify in support of the four percent inflator provided in HB 1012, as well as ask you for $1 wage/benefit pass through for all basic care and nursing facility staff. At this point, the budget contains a $0.50 wage pass through. I will also address the personal needs allowance (PNA) increase for basic care and nursing facility residents.

Before I outline why the 4% and dollar wage/benefit pass through is needed, I would like to draw your attention to three fact sheets on long term care. I also have a handout providing some facts on the Upper Payment Limit. If you want I can cover that at the end of my testimony.

At the conclusions of my testimony I would like to introduce Kurt Stoner, the Administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND. Kurt's organization provides skilled nursing services, basic care services, assisted living services and independent living apartments for older adults. He operates in one of the busiest areas of North Dakota and wants to share with you the challenges this presents. Following Kurt is Dan Kelly of McKenzie County Health Care Systems in Watford City, ND. McKenzie County Health Care Systems provides assisted living, basic care, nursing facility care, clinic, and acute care services within the "oil patch." Dan will share with you his experience and perspective. All of us have one common theme; the 4% annual inflator and dollar wage pass through is critical.

Why is the Dollar Wage Pass Through Needed?

Employees are the backbone of our business. They assure residents get the care, services and attention they need and deserve. Without them we are crippled and we can't provide the quality of care each and every resident deserves. It is estimated long term care facilities employ 15,470 individuals (assisted living, basic care, and nursing

North Dakota Long Term Care Association
1900 N. 11th St., Bismarck, ND 58501
Phone: 701-222-0660
www.ndltca.org

facilities). On an annual basis, nursing facilities care for 12,213 residents and basic care facilities provide care to 4,152 residents. The average nursing facility resident is 84 years old, female, and needs help dressing, toileting, and eating. They need direction, support and supervision throughout each day. They average 11 different daily medications and have medical conditions that require physician oversight. Today, 40% of nursing facilities residents are rehabilitated and sent back home or to a lower level of care. Average length of stay has decreased from what used to be 3.5 years to now under a year. The need for nursing facility level of care can hit at any age. Today in North Dakota, the age range is a young infant to an individual 107 years old.

Now that I've told you a little bit about the residents we care for, I want to share with you information about our caregivers – our dedicated work force. Without them we cannot exist. As you may have heard we've had a number of long term care facilities close or announce closure recently. On December 31, 2012, Holy Family Villa in Carrington closed their 24 bed basic care facility, citing yearly financial losses for the past five years. The Kensington in Williston, a 71 bed basic care facility and 39 units assisted living facility closed on December 31, 2012. They closed because of a staffing crisis. They flew staff in from out of state, used contract agency staff, paid overtime and double time, and still could not find staff to care for their residents. The facility is now closed and houses individuals from the energy industry.

Last summer, Osnabrock, a nursing facility in eastern North Dakota, closed citing significant financial operating losses. And then just last week, Sanford Health Underwood Continuing Care Center in Underwood, a 50 bed nursing facility, announced closure for March 2013. Their reason for closing: Staff shortages and declining occupancy. You can't operate a facility without staff.

The top issue facing facilities is staffing. In 2012, 2 out of every 3 nursing facilities used contract agency staff to deliver daily resident care. Contract nursing hours increased 98% in one year. Facilities stop admissions, or downsize their facilities because they don't have the human resources to deliver the care. Today the youngest employee is 14 and the oldest is a 99 year old dietary aide. This is our workforce today; tomorrow is even more threatening.

One-third of our workforce is age 50 and older, and North Dakota will need an additional 1,880 nurses by 2018.

We simply need your help. For nursing facilities, you control the rate setting system, as we have equalization of rates. Only you can increase the revenue so we have the resources to pay staff more. If a nursing facility needs to provide greater wage adjustments than provided by the legislature and starts exceeding limits, none of the money they've spent over the limits will be recouped. If this happens your financial viability is threatened. In 2013, rates were just updated using the 2010 cost report and they adjusted for inflation. Even with rebasing rates, nursing facilities are collective spending $8 million more than what they are being paid.

This past year, the Department of Human Services provided two nursing facilities with increased rate adjustments to deal with the staffing crisis and costs. This occurred for St. Luke's Home in Dickinson and Good Samaritan Society in Crosby. This helped substantially, however because of the continued financial losses and inability to retain staff, the Good Samaritan Society—Crosby announced they are selling the facility and departing from Crosby. They offered to give the facility and their assets away free and thank goodness the local hospital is moving forward to assume ownership and operations. It is anticipated the ownership change will occur in March 2013.

The dollar wage/benefit pass-through will help all basic care and nursing facility staff. We need to increase our wages and be competitive or we will not have staff or care facilities. The dollar add on will add an average salary increase of $173.00 monthly (gross) to staff working in long term care, the net is less than $40 a week or $8 a day.

Why the 4% Annual Inflator is Needed?

Overall, costs are increasing for long term care facilities. According to the Department of Human Services chart on CPI, Medical Care Services inflation index averaged 4.3% in 2012. Hospital and related services averaged 5.8%. For 2012 and 2013, the legislature provided a 3% inflationary adjustment. Based upon nursing facility cost reports filed with the Department of Human Services, actual nursing facility operating cost increases for the past three years have been:

Year	Percentage
June 30, 2010	10.2%
June 30, 2011	4.98%
June 30, 2012	5.0%

Our cost of operating is increasing greater than past inflationary adjustments, we need a 4% to help keep pace with our operating costs.

Maintain Quality Service

We believe and reports show (Attachment D – Article on Nursing Facilities) North Dakota nursing facilities providers give some of the most outstanding care in the US. Staff are to thank for that quality of service, but so are you. Every session we ask you to dig deeper in your pockets. Make care to our seniors, unable to provide for themselves, a top priority. You do and we thank you for that commitment.

Personal Needs Allowance

At this time 52 out of every 100 residents in a nursing facility need Medicaid to help pay for their care. What this means is you turnover your social security check, retirement checks or any other source of income you receive, to help pay for your care and Medicaid makes up the difference. Of course you do get to set aside money for your funeral and another $3,000 in savings. But in essence, every Medicaid resident pays almost everything they have toward their cost of care. Each month, they are allowed a little bit of money, called a Personal Needs Allowance, to pay for "personal things" not allowed by the Medicaid Program. This allowance pays for all of their clothing, shoes, special hair care such as colors, perms, candy, pop, cable TV, and cell phones. Nursing facility residents have not received an increase in this "allowance" since 2002, over 11 years ago. In 2002 they received $50 per month and today they receive $50 per month. HB 1012 increases this monthly amount to $65 per month. We appreciate that increase, but based upon the needs of residents, we are requesting an increase to $85 per month, the amount provided today for basic care and DD residents.

HB 1012 increases the PNA for basic care residents to $100 per month. They have the physical and mental ability to be more involved in the community and we urge you to keep this increase in the budget. We request you to go one step further, by putting an annual inflationary adjustment on the PNA. Just as we all hope to receive an annual inflationary adjustment in our wages, so should our citizens who rely upon us for their care and services. Many basic care residents still love to go to movies, on occasional "eating out" and provide a card with $5 to a grandchild or great grandchild.

In conclusion, thank you very much for the opportunity to testify in support of HB 1012 and offer some enhancements. At this time I would be happy to answer any questions or have Kurt Stoner, the Administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND testify.

Shelly Peterson, President
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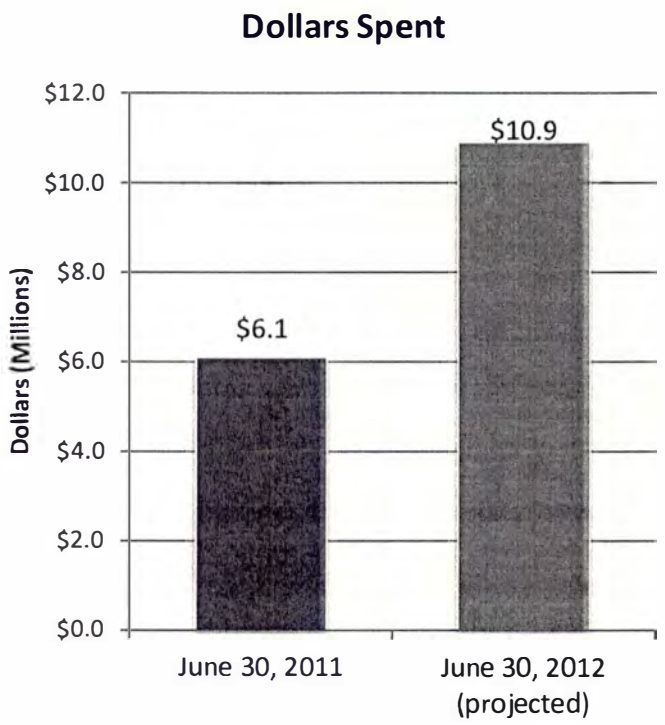
Attachments:
Nursing Facility Workforce
Basic Care Facilities
Assisted Living Facilities
Article from Newspaper
Nursing Facility Payment System
Upper Payment Limit

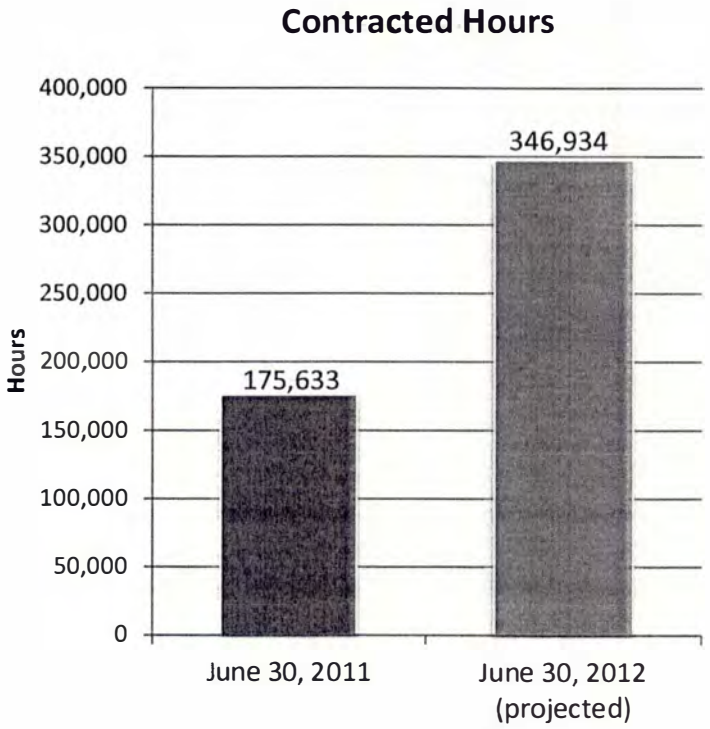
Nursing Facility Workforce

Nursing Facility Workforce

- Top issue facing nursing facilities is staffing.
- Number of individuals employed in 68 nursing facilities was 9,267. Based upon this ratio, total people employed by 83 nursing facilities are estimated to be 11,311.
- July 1, 2012, sixty-three nursing facilities reported 751 vacant positions.
- Nine of sixty-six reporting nursing facilities stopped admissions in 2012 because of a lack of staff.
- Sixty-six percent of nursing facilities, 2 out of 3 facilities, used contract agency staff in 2012.
- Contract nursing hours increased 98% over the past twelve months.
- The 2012 average salary increase provided was 2.9%, however one-third of nursing facilities also provided an extra enhancement to retain their employees. Enhancements were as high as $5 per hour to 20% increases.

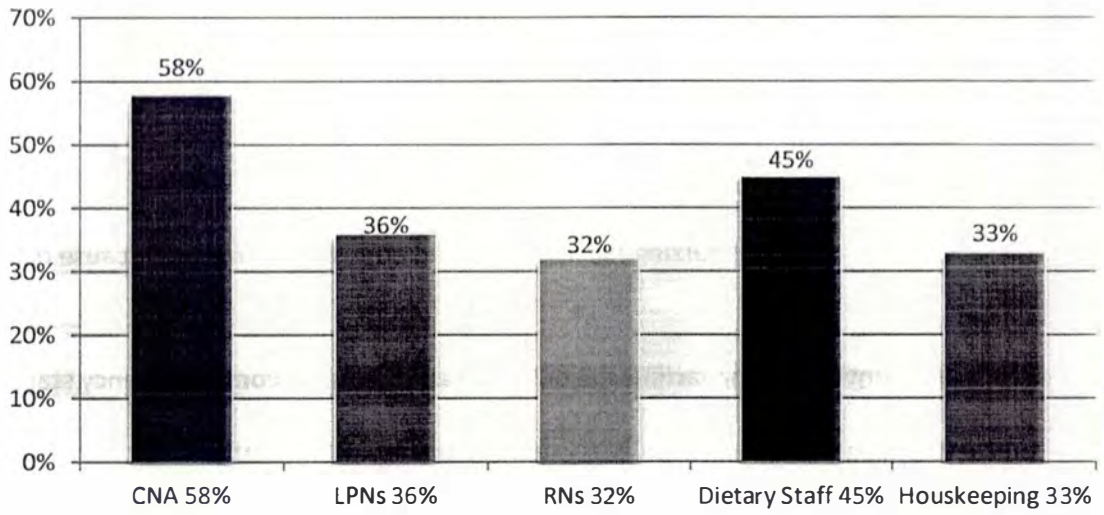
Contract Nursing



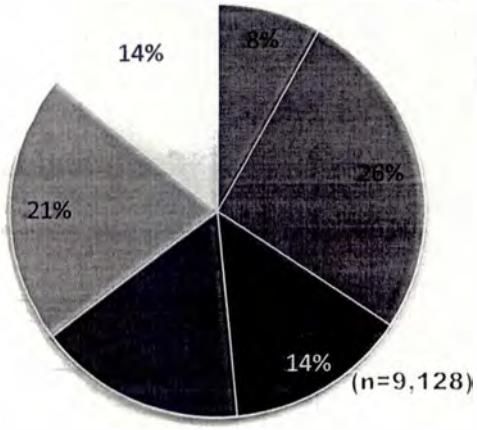


Nursing Facility Workforce (continued)

2012 Staff Turnover



Age of Nursing Facility Workforce



- 19 & Under 8%
- 20-29 26%
- 30-39 14%
- 40-49 16%
- 50-59 21%
- 60 & Over 14%

- Turnover and age of our workforce will create an unprecedented demand for employees in the next 10 years.
- The youngest employee is 14 and the oldest employee is 99.
- Over one-third of our workforce is age 50 and older.
- North Dakota will need 1,880 additional nurses by 2018.

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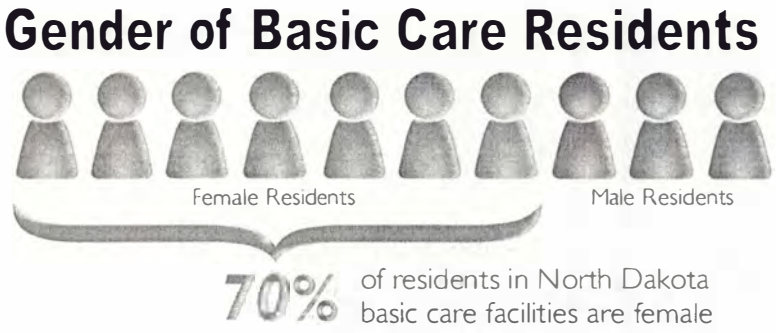
Basic Care Facilities

Basic Care at a Glance:

- 70 licensed basic care facilities
- 1,827 licensed beds
- 2012 average monthly rate is $3,272
- 2012 average occupancy is 85%



(n=848)

Basic Care Facts:

- A basic care facility is a congregate residential setting with mostly private rooms (88%).
- The facility provides 24-hour onsite staff.
- Basic care provides an all-inclusive rate providing room, meals, personal care services, supervision, activities, transportation, medication administration, nursing assessment and care planning.
- Current residents range in age from 24 to 105 years old, with the average age being 78.

Care Needs of Basic Care Residents:

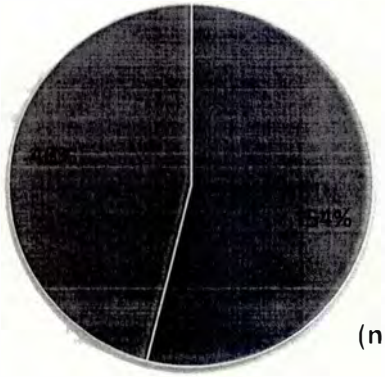
- 74% of residents have impaired mental status, ranging from early stage dementia to significant mental health issues.
- 96% of residents need full assistance with medication administration.
- 41% of residents are receiving psychoactive drugs.
- The average basic care resident is on 11 different medications.
- Most residents are independent in dressing (63%), with less than 10% requiring extensive assistance (7.5%).
- 80% of residents need assistance in bathing.
- Most residents are fully independent in eating (90%), toileting (82%) and transferring (95%).
- 65% are ambulatory and do not need any staff assistance, 57% use a walker or cane and very few use a wheelchair (7%).

Basic Care Facilities (continued)

Top three reasons for basic care admission:

1. Unable to be or live alone
2. Assistance with daily cares
3. Mild to moderate confusion

Who Pays for for Basic Care?



- Basic Care Assistance 54%
- Private Pay 46%*

*13% of residents have LTC insurance that helps pay the bill.

(n=830)

2013 Legislative Priorities for Basic Care

- Four percent inflationary adjustment on costs and limits.
- $1 an hour wage/benefit pass-through for all basic care staff.
- Allow housing as an employee benefit.
- Support statewide guardianship program.
- Allow basic care bills to be paid as a priority during estate recovery.
- Increase personal needs allowance to $100 per month with annual adjustment.
- Eliminate the basic care administrator salary limitation.
- Support the basic care moratorium and exception process.
- Continue to support the sales tax exemption for basic care.
- Support Medication Assistants I's for working in assisted living and basic care.

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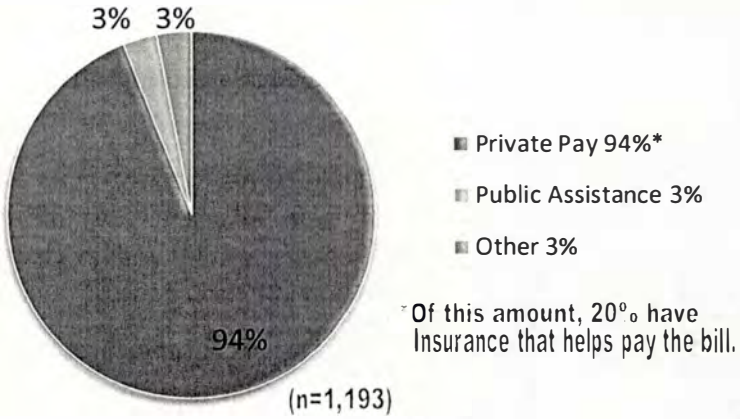
Assisted Living Facilities

Assisted Living Facilities at a Glance:

- 73 licensed assisted living facilities
- 2,630 licensed units
- 2012 average occupancy is 94%
- Cost is based on size of living unit and service package.

Who Pays the Bill in Assisted Living Facilities



Assisted Living Facts:

- An assisted living facility is a congregate residential setting with private apartments and contracted services.
- A la carte services are contracted based upon an agreed upon service plan.
- A basic rental package generally includes meals, housekeeping, activities, transportation, cable TV and laundry.
- Facilities provide a full range of services from bathing to medication management to hospice care.
- Current tenants range in age from 44 to 105, with the average age being 86.
- The average length of stay is 718 days.

Care Needs of Assisted Living Tenants:

- Assistance with daily care and isolation are the top issues precipitating the desire to move into an assisted living facility.
- 49% of tenants have impaired mental status ranging from confusion/forgetfulness to a mental health diagnosis.
- 49% of tenants need full assistance with medication administration. Tenants on average take ten over-the-counter and prescription medications daily.
- Most tenants are fully independent in eating (99%), transferring (95%), toilet use (95%) and dressing (79%).
- 45% of tenants periodically use the assistance of a walker.

Assisted Living Regulations:

In 2009 the assisted living profession advocated for enhancements to the assisted living regulations. Regulations address staff training, background checks and customer satisfaction. Each facility must:

- Tenancy Criteria. Each assisted living facility has tenancy criteria that is fully disclosed to all tenants.
- Training. Assisted living administrators complete at least twelve hours of continuing education per year. All direct care staff receive annual training in resident rights, fire and accident prevention, mental and physical health needs of tenants, behavior problems and interventions and infection control.
- Background Checks. All assisted living facilities conduct a reference and previous employment check prior to hiring. They also check all applicable registries to assure individuals are in good standing prior to the offer of employment.
- Satisfaction Surveys. Assisted living facilities conduct at least one satisfaction survey every twenty-four months. A copy of the results are shared with all tenants. Three out of five (61%) assisted living facilities use an independent company for the completion of the satisfaction survey. The remaining facilities use an internal self administrated survey instrument.
- Complaints. The Department of Human Services is the entity responsible for receiving complaints related to assisted living. They evaluate the complaint and forward it to the appropriate agency for investigation.

2012 Assisted Living Satisfaction Results

Respondents to a recent survey of assisted living facilities (n=16) rated North Dakota facilities in the following categories. Percentages of positive rating from the survey:

- Overall satisfaction 93.8%
- Personal care 93.6%
- Dining room service 92.9%
- Cleanliness 97.4%
- Response to problems 93.6%
- Dignity and respect 98.4%
- Communication 96.2%
- Activities 90.3%
- Move-in process 96.1%
- Security and safety 98.9%
- Recommend to others 97.8%

2013 Legislative Priorities for Assisted Living

- Support the current assisted living regulations and standards.
- Continue to support the sales tax exemption for assisted living.
- Support Medication Assistants I's for working in assisted living and basic care.
- Support a free and open market in the number and location of assisted living facilities.

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INFORUM
The Forum of Fargo-Moorhead

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ND nursing homes have nation's lowest rate of serious deficiencies

FARGO -- Inspections of North Dakota nursing homes resulted in the lowest number of serious deficiencies in a review of reports for all 50 states.

By: **Patrick Springer**, INFORUM

FARGO – Inspections of North Dakota nursing homes resulted in the lowest number of serious deficiencies in a review of reports for all 50 states.

Figures compiled by ProPublica, an independent news organization, found that North Dakota nursing homes had one serious deficiency during the past three years, and had the lowest rate of serious deficiencies in the nation.

North Dakota's rate of serious deficiencies per nursing home was 0.01. South Dakota recorded the second-lowest rate, 0.03, while Minnesota's serious deficiency rate was 0.13.

A spokesman for the Denver region of the Centers for Medicare and Medicaid Services, which oversees North Dakota, said the numbers reflect good nursing home care in the state, not lax oversight.

"This doesn't surprise us at all," said Michael Fierberg, a spokesman for Medicare and Medicaid, which pay for nursing home services and oversee care in partnership with the states.

"To me, this is a result of which North Dakota should be quite proud. It's as simple as that."

ProPublica, citing an earlier report by the Government Accountability Office, said enforcement of nursing homes varies widely among the states, and often falls short.

States contract with the federal Center for Medicare and Medicaid Services to inspect nursing homes, and the state and federal governments split any fines for violations.

North Dakota inspectors, who noted 1,408 total deficiencies in 83 nursing homes, levied no fines during the past three years, according to the ProPublica report.

South Dakota inspectors found 1,330 total deficiencies and three serious deficiencies in 111 homes, and imposed no fines.

Inspections of Minnesota's 379 homes found 8,547 total deficiencies and 50 serious deficiencies, resulting in 128 fines totaling $234,077.

The most serious deficiency included in the inspection reports compiled by ProPublica for North Dakota involved inspections of a nursing home in Hettinger in which proper lifts were not used to move residents, and serious injuries resulted.

The problems were addressed, said Bruce Pritschet, who oversees nursing home inspections for the North Dakota Department of Health.

North Dakota rarely imposes civil monetary penalties, and does so only in the most severe cases, he said.

"We call it the big gun," Pritschet said, adding the penalty is used only for "very serious, very egregious situations."

The first level of sanction is to freeze a nursing home's patient admissions until the deficiencies are addressed. Most regain compliance within the 15-day notice period, he said.

"Most of them pull all the stops to get the corrections made," Pritschet said.

He added: "I don't believe it's lax. If anything, we probably hold them to a higher standard," since the state only has to inspect 83 homes.

The Centers for Medicare and Medicaid Services, which must approve all fines, typically levies fines when nursing homes fail to rectify problems, Fierberg said.

"It's not our goal here to extract as much money from the outliers as we can," he said. Getting nursing homes back into compliance with standards is the goal.

In North Dakota, South Dakota and other neighboring states, "When we do find problems they are quickly resolved," Fierberg said.

Shelly Peterson, president of the North Dakota Long Term Care Association, which represents nursing homes, welcomed the ProPublica findings.

"We're very, very pleased with the information," she said. "Facilities work very, very hard to meet the standards."

Incidents highlighted in the ProPublica report included two nursing home deaths, one in Texas and one in South Carolina.

Readers can reach Forum reporter Patrick Springer at (701) 241-5522

Tags: north dakota, news, health

More from around the web

NURSING FACILITY PAYMENT SYSTEM

MINIMUM DATA SET FOR PAYMENT

The state adopted the Minimum Data Set (MDS) for its payment system on January 1, 1999. The MDS provides a wide array of information regarding the health status of each resident. The payment system has forty-eight facility specific rates. Each resident is evaluated at least quarterly and the intensity of their needs determines their rate classification.

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 equalized 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 limits are calculated based on the **June 30, 2010 cost report** inflated forward to 2013. The legislature allowed rates and limits to be increased by 3% in 2012 and 2013.

Limits (the maximum that will be paid) are set for the direct care, other direct care and indirect care components by utilizing the **2010** 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 either 10% or 20% to the cost of that median facility. The **direct care** and **other direct care** limit is established by adding **20%** to the cost of that median facility. The **indirect care** limit is established by adding **10%** to the cost of that median facility. The limits are then inflated annually by the legislative approved inflation factor. .

Direct Care Rate. Costs in the Direct Care Category include: nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. On January 1, 2013 the direct care limit was set at $151.19 per day. Nine nursing facilities currently exceed this limit. The nine nursing facilities over the limit spent $1,871,777 in nursing that will not be recouped.

Other Direct Care. Costs in the Other Direct Care Category include: food, laundry, social service salaries, activity salaries and supplies. On January 1, 2013 the other direct care limit was set at $25.46 per day. Seven nursing facilities currently exceed this limit. The seven nursing facilities exceeding the limit spent $269,663 in costs that will not be recouped.

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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. On January 1, 2013 the indirect limit was set at $65.13 per day. Twenty nursing facilities currently exceed this limit. The twenty nursing facilities exceeding the limit spent $3,439,786 in indirect care expenses. These costs will not be recouped.

Property rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The average property rate is $17.59 per resident per day, with a range of $2.71 to $83.74.

Occupancy Limitation – In the June 30, 2012 cost reporting period, twenty-five nursing facilities reported twelve month occupancy averages at less than 90%. Together they incur $1,228,484 in penalty costs because they operate under 90% occupancy.

Incentives - A reward is provided to nursing facilities that are under the limit in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to the indirect limit. Facilities are able to receive 70 cents for every dollar they are below the limit up to a maximum of $2.60 per resident day. In 2013, fifty-four nursing facilities received an incentive, with the average per day incentive at $2.35. Of the fifty-four nursing facilities receiving an incentive, the incentive ranged from $0.20 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 2013, the average operating margin is $3.84 per resident per day.

Inflation - Rates are adjusted for inflation annually. Inflation is a rise in price levels that are generally beyond the control of long term care facilities. Examples of price level increases include the 9.7% increase in health 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 58% in 2012.

Annual inflationary adjustments are set every legislative session.

Rebasing – A limit is establish on the maximum that will be paid in each cost category. The 2013 limits are based upon the June 30, 2010 cost report inflated forward to 2013. The limits are inflated annually by the legislatively approved inflation factor until rebasing occurs. The next time limits will be rebased is January 1, 2017 using the June 30, 2014 cost report.

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Nursing Facility Upper Payment Limit (UPL)

What is a UPL?
Each state has the authority to set their own nursing facility payment system, however to claim the federal matching dollars it must comply with the UPL. The UPL refers to a system or formula that shows rates are reasonable and would not exceed what would normally be paid under Medicare cost principles.

Problem with 2010 UPL:
The UPL formula for 2010 compared the aggregate Medicaid rates to the aggregate Medicare rates. In making the comparison between Medicaid versus Medicare rates, you must evaluate and compare at the same RUG levels. In 2010, North Dakota had the lowest Medicare rates in the nation. When the comparison test was done in 2010, it found North Dakota did not meet the UPL test.

Rather than lose federal funds and be forced to cut nursing facility rates in 2010, DHS employed an expert consultant, Joe Lubarsky and asked him to devise a new formula for meeting the UPL test. With Joe's assistance, a new UPL methodology was proposed by DHS to CMS. After numerous negotiations/changes CMS accepted the new UPL methodology.

This new UPL methodology allowed all rates to remain in place and nursing facilities did not experience rate reductions in 2010.

New UPL Test for Nursing Facilities:
The new UPL test for 2010 and each year thereafter is based upon the aggregate provider costs compared to the Medicaid rates. Under this new formula, Medicaid rates need to be less than your costs. For the January 1, 2013 rate year (based upon June 30, 2012 cost reports), nursing facilities spent an additional $8.2 million more than provided in the rates. Thus since nursing facilities spent more than provided in the rates, there was not an UPL issue for 2013. In 2013, twenty three nursing facilities are exceeding limits (29%).

Will UPL be an Issue in Future Years?
Each year the Department will apply the UPL test to determine if North Dakota nursing facilities meet the calculation. If in the aggregate, nursing facility costs exceeding the payment, North Dakota nursing facilities should not have an UPL issue.

In theory, every nursing facility could operate under limits. This has never happened. As long as this never happens, we should not have an UPL problem.

NDLTCA Issue Brief

Long Term Care Facilities Impacted by the Energy Boom

Long Term Care Needs:

- Sufficient staffing, available/affordable housing and daycare are the top issues facing long term care facilities in the energy producing counties.
- Nursing turnover and vacant positions are at record highs.
- All nursing facilities in North Western North Dakota utilized contract nursing agencies to provide daily resident care, because permanent staff are unattainable.

Three Solutions that will Help:

1. Have Nursing Facilities Qualify for Energy Infrastructure Grants
2. Expand Funding for Housing Incentive Fund with a Reliable Source of Funding
3. Allow Nursing Facilities and Basic Care Facilities to Provide Housing as an Employee Benefit

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August 2012

HB 1012
1/22/13 PM
Attachment 5

Testimony on HB 1012
House Appropriations – Human Resource Division
January 22, 2013

Good morning Chairmen Pollert and members of the House Appropriations- Human Resource Division. My name is Kurt Stoner. I am the administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND. Bethel is comprised of 168 skilled care beds, 19 basic care beds and 33 assisted living units. In addition our Foundation owns and manages 62 senior independent apartments.

I am here today to testify in support of HB 1012 with a 4% inflator and a $1.00 salary increase for all skilled and basic care employees.

Bethel has provided care and services to our regions senior and at need population for over 64 years. I can honestly say our ability to continue this rich tradition has never been more challenged than it is as we sit here today.

Our audited financial statements for year ending, June, 30 2012 reflects a loss of operations of $844,561 from skilled and basic care. During this time span Bethel hired 221 new employees. During this same time span 201 employees retired, resigned, or were terminated. Of the 201 employees 138 started and ended their employment within 12 months.

The vast majority of our new hires are not from Williston, the State of North Dakota, or even neighboring states. The competition for qualified employees in Williston is intense. Currently starting pay at Walmart is $17.00 an hour, hotels pay $15.00 per hour for housekeepers and for employment of supporting roles directly in the oil field, salaries are much higher. Facilities like Bethel must remain competitive if we are to deliver care and services.

In order to continue to meet the needs of our residents, Bethel, like many nursing facilities in Western North Dakota has had to utilize agency staff to supplement our staffing needs. In year ending June 30, 2012 Bethel spent 1.3 million on agency CNAs, LPNs and RNs. In addition to the added expense of utilizing agency staff, the dollars spent on overtime, call-in pay, and sign on bonuses is more than we have ever paid before.

As a result of the large increase in expenditures to maintain quality care Bethel now finds itself over the Direct Care limit. What this means for Bethel is approximately $109,000 of Direct Care spending that cannot be included in our new daily rates.

Currently Bethel has open positions in nursing, laundry, housekeeping, activities and maintenance. Together these open positions account for 23 full time equivalents. I wish I could tell you that it is getting easier to be a non-oil related employer in Williston. You have probably all heard of the rapid expansion in housing and rental units in Williston. While it is true there is a lot of building taking place....it is unaffordable. I am not aware of any newly built, market rate apartment complexes with rents below $2,200.00 for a two bedroom unit. In addition, in the past two years since I last addressed this committee, the majority of existing apartment complexes have been sold to new investors ready to make their fortune.

Recently an apartment complex that was built in the 1950's was sold and rents increased to $2,000.00 per month with only a 30 day notice. Another large complex built in the early 1980's has steadily increased its rent to $1450.00 for a two bedroom unit with a one month rent term. The tenant does not even get the peace of mind knowing their rent will remain the same for over a one month period.

Last Friday was the last day for my Activity Director. She has been forced to move back to her hometown of Watford City after her rent for the 3 bedroom apartment in Williston she was leasing increased to $4,000.00 per month. The building had been sold and it was obvious the new owner needed it for their own employees.

On a bright note, Williston State College is currently building a 72 unit apartment complex designed for service workers. The units will be affordable, but in reality, they are just a fraction of the number of units in Williston that are no longer affordable. We have been told that Bethel may be able to utilize up to 10 of these units, at the present time we have more than that number of our current employees on a list who can no longer afford where they live.

Many of our employees live in smaller communities surrounding Williston, including eastern Montana. To some extent they are able to find housing somewhat more affordable. This also presents another challenge with the recent blizzard we experienced 11 call-ins who were unable to report to work.

The lack of affordable daycare in Williston is also a limiting factor for many who need to work. Our Human Resources Supervisor is limited to working two days a week because of the lack of daycare.

Senior care services were greatly diminished in Williston with the closure of the Kensington in December of 2012. As recently as 2010 the Kensington provided senior care to 39 Assisted Living tenants and 71 Basic Care residents. As a direct result of the Bakken today this facility houses only oil field workers.

Recently our Long-Term Care Association was informed that the Good Samaritan Society will no longer operate the nursing facility in Crosby, ND. It is hopeful that the local hospital will take over operation. Sanford Health announced last week that they are closing their Underwood Nursing facility, citing a lack of staff and low occupancy as the two chief reasons.

If facilities are to remain viable we have to remain competitive in the market to attract caring, compassionate staff. The residents that we care for are the same residents that have made Western North Dakota what it is today. My hope is that we do not forget the sacrifices that these residents have made in times less fortunate as they find themselves now in need of our care.

Thank you for allowing me to share about Bethel's challenges as a provider of Senior Care Services in the heart of the Bakken. I ask for your support of HB 1012.

HB 1012
1/22/13 PM
Attachment 6

Testimony In Favor of House Bill 1012
House Appropriations Committee-Human Resource Division
January 22, 2013

Chairman Pollert and members of the House Appropriations Committee-Human Resources Division, I thank you for the opportunity to offer a real time observation of the difficulties healthcare facilities are presently experiencing. My name is Daniel Kelly, and I am the Chief Executive Officer of the McKenzie County Healthcare Systems, Inc. in Watford City, North Dakota. The McKenzie County Healthcare Systems, Inc. consists of the Critical Access Hospital, Skilled Nursing Facility, Basic Care Facility, Assisted Living Facility, Rural Health Clinic and the Connie Wold Wellness Center. While my focus today is mainly on our nursing home operations, many of comments are also applicable to our hospital and rural health clinic.

Healthcare systems in general and the McKenzie County Healthcare System specifically are facing the following operational challenges:

Staff Recruitment and Retention
Increased Staffing Expense
Housing
Significant Rise in Bad Debt
A Lack of Day Care

I will briefly address each of these.

Staffing Recruitment and Retention-We are experiencing an increase in open positions principally in dietary, housekeeping, maintenance and certified nurse aid positions. At any one time we have had a high of 32 to a low of 17 open positions. Long term employees that have come into oil income have retired or quit, their children are not seeking employment and individuals are leaving the area. In concert with the diminished workforce we are experiencing an inability to offer competitive wages. Despite having increased the starting wage of a housekeeper to $11.00 they can work at the local gas station for $14.00 per hour or elect to clean oil employee housing units for $20.00 per hour.

Increased Staffing Expense-To maintain quality healthcare we have used "traveler staff." Our November Human Resources report notes that for that one month at the nursing home alone we incurred traveler staff expense of $64,472.39. This expense was principally for Certified Nurse Aid and to a lesser extent, Licensed Practical Nurse coverage.

Housing- There is a shortage of affordable apartments and/or homes to purchase. Apartments easily rent for $1500.00 and those few homes that are listed for sale have asking prices of in excess of $250,000.00. I currently have staff that have

accepted an employment offer but have not started working given they cannot find an affordable place to live.

Significant Rise in Bad Debt- For the 2012 fiscal year the healthcare system wrote off $1,218,185 in bad debt compared to $659,284 for the prior fiscal year and $300,151 for the preceding year. This despite our investing approximately $50,000.00 in verification software and implementing up front collection processes. This impacts our hospital and clinic operations more than our nursing home.

Day Care- Our City and County are presently seeking ways to address this shortage. If we are able to overcome the obstacles of starting salary and housing often times the lack of day care for working mothers precludes our hiring much needed employees.

While we have and will continue to address these issues, the 4% increase in reimbursement and the wage pass through, advocated for in House Bill 1012 will assist greatly by giving us the ability to offer competitive wages and address some of the operational issues presented.

I thank you for affording me this opportunity to share with you what is happening not only in western North Dakota but throughout the State. I would be happy to explain any of these items further or to answer any questions the committee may have.

Daniel Kelly, CEO
McKenzie County Healthcare Systems, Inc.
516 North Main Street
Watford City, North Dakota 58854
(701) 842-3000

Email: dkelly@mckenziehealth.com

HB 1012
1/22/13 PM
Attachment 7

Testimony
House Bill No. 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 22, 2013

Chairman Pollert and members of the House Human Services Appropriations Committee, my name is Tim Cox and I am President of Northland Healthcare Alliance and Northland PACE. Northland is a member-driven, provider-based organization of 20 hospitals and long-term care facilities located throughout North Dakota. For more than 8 years, Northland Healthcare Alliance has been working to implement a PACE program in North Dakota. PACE is a (P) program of (A) all-inclusive (C) care to the (E) elderly. This program is a relatively new program that works to keep the frail elderly independent and healthy. In developing Northland PACE, we have pursued funding opportunities and were fortunate enough to receive one of 14 Rural PACE grants from CMS. We have expended great resources to become a PACE site and in August 2008 were awarded a PACE license to provide healthcare services to locations in Bismarck and Dickinson. Since inception, we have enrolled 128 participants. Currently we have 50 enrollees at our Bismarck site and 22 at the Dickinson location. Of those 128 enrollees, 28 have passed on, many peacefully at home. Others have improved and have become ineligible.

The Northland PACE program is making a real difference. Several of our current participants moved into our PACE Program right out of a long-term facility. In visiting with them and members of their families, they indicate that they have seen remarkable improvement in their health and quality of life. This is amazing given the short time in which we have been in operation. Here are some examples:

Clarice (name changed)

The year didn't start out well for Clarice. She started the year living independently with her husband in their home in a rural ND community. Things took a turn for the worse in February, when Clarice fell and broke both bones in her lower left leg. Surgery was required, and after a complicated hospital stay, including placement of a feeding tube, Clarice found herself being discharged to a nursing home in April. Clarice spent over 4 months at the nursing facility, unsure of her future living arrangements. She was no longer able to eat normally, and was receiving all of her medications and nutrients through a tube placed in her stomach. And although her family was very supportive, Clarice felt depressed and had almost given up hope.

All of that changed when PACE began working with Clarice and her family in August. She was discharged from the nursing home September 1st into a senior apartment with her husband. PACE assisted with the transition to living independently, along with managing her complex medical condition. The PACE physician and nurses are monitoring and assisting Clarice with her medications and medical needs. She is working closely with the PACE social worker to assist her with finances and to provide emotional support. Clarice comes to the PACE Day Center twice a week to receive speech, occupational, and physical therapies as well as socialization and recreation. She receives home visits from nursing staff to assist with setting up medications, bathing, laundry, and anything else she needs.

Although the majority of the year wasn't kind to Clarice, just 3 months after joining PACE Clarice has a whole new outlook. She is no longer using a wheelchair, and recently had her feeding tube removed. Clarice and her husband are adjusting to life in an apartment in Bismarck and they both feel they would not have been able to do it without the ongoing help and comprehensive care support of PACE.

Doris (name changed)

Doris is an insulin dependent diabetic, with a history of poor insulin management, causing her to become lethargic, confused and even unconscious at times. During the summer, while living at home with her husband, Doris was found unconscious outside her home. She had a head injury and very low blood sugar, and upon hospital admission, was found to have had a stroke also. After a month-long hospital stay and numerous medication adjustments, Doris was admitted to a nursing home. As she recovered, Doris expressed her desire to return home. Assessing various options, the PACE program was presented: Doris would be able to return home with the constant monitoring of a team of nurses, physician, social worker, physical and occupational therapists.

Since Doris enrolled in PACE, her diabetes has been under control with help from a diabetes educator, PACE physician, and nursing staff. Her insulin doses and blood sugar checks have been greatly reduced. She has had no further unconscious episodes and low blood sugar episodes have been minimal. She also has had no further emergency room visits or hospitalizations. Doris is able to monitor her own blood sugar and takes her medications independently with an electronic medication box, and a nurse visits three times a day to assist her with her insulin administration. In the past year since joining PACE, Doris has received physical therapy and occupational therapy as needed and comes to the PACE Day Center three times a week. She has been able to remain home with her husband where she enjoys weekly lunch dates at McDonald's, baking, cooking, and quilting.

Robert (name changed)

Robert is a 72-year old man, who enrolled in PACE in 2010. He came with hypertension, hyperlipidemia, coronary artery disease with arrhythmia problems, benign prostatic hypertrophy, severe anxiety and depression which leads to abdominal cramping, and a history of a serious nervous breakdown in the past. He was not taking all of his medications due to his financial situation and was socially isolated.

Today - Robert has had no hospitalizations since being enrolled in PACE. With PACE's help, he has moved to an apartment setting where he is less socially isolated. He is able to call a PACE social worker or on-call worker when he is having anxiety instead of going to the clinic or ER. Robert is medically stable at this time and is "very thankful" for the services and support he is receiving as a PACE participant.

In his words: "Before PACE, I was unemployed and stayed at home. At that time, my finances would not allow me to buy my medications. In June of 2010 I signed up for PACE - just at the right time in my life. Before PACE I could not make it financially, and now I am doing fine. PACE covers my medications and I am now able to get the ones I need. In 2010, I had four surgeries and a lot of dental work. I would not have been able to afford these on my own or take care of myself without the help of PACE services. Currently I am doing pretty well and feel that my health is now stable. I have not been hospitalized for a 1½ years. The PACE nurse does monthly assessments, takes care of my medications, and they have an emergency on-call nurse. I feel a lot better emotionally. I am still on some medication for anxiety and depression; however, I feel happy and content. PACE also helped me move to new living quarters that I like. I am very thankful for what I have."

The PACE model is in many ways the future of healthcare. The model uses effective principles of care coordination as well as efficiently managing health issues and challenges for each participant. The use of a mandated interdisciplinary team of 11 members eliminates problems and provides a laser-like focus to care delivery. You can imagine what happens with this team as they meet several times weekly to discuss what steps are needed to maintain good health for each individual enrolled in the program. It is almost unheard of in healthcare and in many ways the model is unique, but it *is* effective.

Nationally, PACE is growing significantly. When Northland was approved we were one of a few rural sites to have a PACE program. There were only 44

rural and urban programs nationally. Today there are 89 PACE programs with approximately 20 other sites in the application phase. PACE has the support of both political parties nationally, and is seen as a program that is effective and efficient in using dollars to keep seniors healthy. In the State of New York, all seniors 55 and older that enter Medicaid must be screened for PACE as an option of care.

In North Dakota, we have a steadily growing graying population and we need to figure out how to take care of all of their healthcare needs. This model is one that is working. Statistics show that it reduces hospitalizations and they are shorter when they do occur. It will save the state many dollars, as its goal is to keep individuals living safely and independently at home and may help to postpone the expansion of building more nursing homes in near future. Certainly it gives us all an additional choice of care that saves money and delivers high quality care.

One item that we are excited about is an Innovation Grant we received from CMS this past year. With over 3000 applicants that applied for this award, it was an honor to be one of 120 organizations to receive it. It uses a PACE-like model to provide care coordination services to mainly dual-eligible seniors. It is being piloted in 6 communities throughout the state and gives assistance to this population much like PACE, but without the capitated rate structure. Many of these individuals will be pre-PACE and will benefit, with no cost to them, from services that will help them to have a care plan that meshes all of their healthcare needs into a single plan. This will also save the state considerable dollars. It is our hope that we can keep them healthy longer, and that when needed they could be enrolled in PACE.

PACE is a wonderful program; many of our participants say it's too good to be true. But it *is* true – It is real.

We appreciate the time you give. We ask your support of House Bill 1012 and its amendments. Thank you.

September 1, 2009 – May 31, 2010

Age Group	Duals		Non-Duals
	Urban	Rural	
Under 65	$4,220	$4,035	$5,623
65-74	$3,621	$3,462	
75+	$3,790	$3,624	

June 1, 2010 – May 31, 2011

Age Group	Duals		Non-Duals
	Urban	Rural	
Under 65	$4,254	$4,036	$4,652
65-74	$4,128	$3,916	
75+	$4,407	$4,181	

June 1, 2011 - June 30, 2013

Age Group	Duals		Medicaid Only
	Urban	Rural	
55-64	$4,467	$4,238	$4,885
65-74	$4,334	$4,112	
75+	$4,627	$4,390	

HB 1012
1/22/13 PM
Attachment 8

Human Resources Committee

HB 1012

Testimony from Chuck Stebbins

For the record my name is Chuck Stebbins and I am here on my own behalf to offer some testimony on HB 1012. I am a user of in-home services and have been for thirty years now. I have worked in the past with people who want to stay in their own homes and communities and have advocated for Improvement of the Home and Community Based Service (HCBS) system in North Dakota for a number of legislative sessions.

HCBS has been tended to and improved somewhat over the years. Choices have improved and some attitudes have been changed. But...Legislators need to look at increasing the funding to HCBS. Legislators need to close the gap between HCBS and nursing home funding. There will come a time where states ability to access federal Medicaid dollars will depend on how much of an investment they have made into their HCBS systems. I do not believe this shift is that far away. ND would do well to be investing more of the states resources into HCBS. Who knows, it may benefit you when the time comes.

As you may already know ND is one of 11 states where 14% or more of the population is already over the age of 65. If you were to ask that 14% where they want to live and spend their golden years I would guarantee you that the answer would be to remain in their own homes and communities for as long as possible. I would also guarantee you that if I asked each and every one of you and each and everyone present here today the same

question you would receive the same answer. I am not here to tell you we must get rid of nursing homes. I am here to tell you that we must improve HCBS and move to at least a level playing field when it comes to funding of nursing homes and HCBS. The amount of money in the aggregate currently going to HCBS is still significantly less then funding currently going to nursing homes. As far as I know we are still at 90% of the total aggregate funding going to nursing homes and only 10% of the total aggregate money going to HCBS. If it has shifted, it hasn't shifted by much, so as much as HCBS has improved over the years, nursing home's, unlike the community based services, continue to receive increased Medicaid reimbursements. We have got to work harder toward closing this gap.

National *average* Institutional long term costs range from $73,000 to $81,000 per year. Average nursing home cost in ND is $75,000 annually. Even "intensive" HCBS (40 hours/week of 1:1 care) by a QSP (Qualified Service Provider) would be estimated at $35,000. The longer you can keep someone out of a nursing home the more the state will save in Medicaid costs.

The 2011 Long-term Care Scorecard ranked ND 41st out of the 50 states and the District of Columbia in 'choice of setting or provider" ND ranked last among the states for the percent of Medicaid spending going to home- and community-based services for older people and adults with physical disabilities.

Nationally, there was an average of 6.3 non-elderly nursing home residents per 100 non-elderly people who needed some assistance with activities of daily living. North Dakota ranks third with 11.7, among the ten worst states with higher rates than 6.3. ND ranks number one in nursing home residents at 23.4 per 100

residents of all ages without cognitive impairments who need assistance with activities of daily living. With the right scope of services and access to in-home assistance many of those people currently living in a nursing home would be able to live in their own homes and communities. People in this state continue to enter nursing homes because discharge planners, social workers, and doctors are just not aware of what is out there for HCBS or they are aware but it's just easier to admit people to nursing homes because that's just the way it's always been done around here! This has to change.

If there is anything that I can help with or contribute to as you all move toward improving the HCBS system, here is my contact information:

Chuck Stebbins
4205 montreal st. #101
Bismarck, ND 58503
701-388-1266

Department of Human Services
2011 - 2013 Legislatively Approved (Including Special Session)
Where Does the Money Go?
Department-Wide
Total Funds $2,648,548,255

.02 Capital Projects

.04 Institutions

.04 HCBS & Basic Care

.05 Human Service Centers

.06 Admin-istration

.15 Developmental Disabilities Grants

.17 Nursing Homes

.22 Direct Client Services *

.25 Traditional Medical Grants & Healthy Steps

* Includes TANF, JOBS, Child Care, SNAP, 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.

FA-3/5/12-cj\113legis\legis app $

Improving Referral & Follow-up for Home-Based Services

Identify Need for Help:

Client or Family or Friend or Hospital or Nursing Home or CHR or Elderly Nutrition Outreach or Tribal Health or IHS

Referral for Assessment to:

County Social Worker *or* Independent Social Worker *or* CHR Targeted Case Manager

Assessment for Services:

CHR - Targeted Case Manager, or Independent LSW-Case Manager or County Case Manager

Referral for Care Delivery to:

Independent QSPs (often a family member), or Agency-based QSPs

Ongoing Follow-up:

Scheduled meetings with Client, Family, Case Manager, QSP & other health providers to coordinate *quality care*

Filling "gaps" in home-based services*

- **Good News**:
  - In ND, many services exist for people who wish to "age in place" in their own homes
  - In ND, many services exist for people with disabilities who wish to live in their own homes
- **Bad News**:
  - Many of these home services are fragmented, therefore many people do not access or keep services
  - In practice, a "non-system" exists instead of a "system"
- **Good News**:
  - **H.B. #1180** (supported by **H.B. #1093**) will create many tools for "filling gaps" & building an effective "system" of home-based care services for elders & people with disabilities

**Medicare* funded home care &hospice are *not included in the present discussion*

Helpful Definitions for "Alphabet Soup"

- LSW — Licensed Social Worker
- CHR — Community Health Representative
- TCM — Targeted Case Manager
- CM — Case Manager
- QSP — Qualified Service Provider
- HCBS — Home & Community-Based Services
- SPED — Service Payments for Elderly & Disabled
- EX-SPED — Expanded Service Payments for Elderly & Disabled

Sources of Funding for Home-Based Services

- **Private Payers** *"out of pocket"*
- **Medicaid** ("mix" of state & federal funds)
  - Medicaid State Plan
  - Medicaid HCBS Waiver
- **ND State Funds** (no "mix")
  - SPED
  - Ex-SPED
- **Federal Funds under Aging Services** (no "mix")
  - Family Caregiver Program
    - Support services, **but no "salary" for caregiver**

Eligibility for funding related to home-based care

- Determined for each individual person who needs care based on income, health, age, etc.
- Guidelines according to each program are reviewed by "eligibility workers" in the counties
- Decision made for funding assistance (or denial)
- Assessment for type of assistance is made by case manager, who creates a care plan for the QSP to carry out for the client
  - *CHRs in ND Tribal communities will now be allowed a limited Targeted Case Management role under the Medicaid State Plan only*

History related to Home-Based Care: Planning with Tribes

- Unique role of CHRs established in Tribes over the past 44 years
- CHR programs continue to adapt through the decades
- CHR commitment to elder care in Tribal Nations is a "constant"

- Community-based Focus on Diabetes Prevention by CHRs in ND & SD
- Ongoing focus on care of the "elderlies" as priority area for CHR leadership
- Elder "Summits" through NRCNAA and CHR programs with ND & SD elders

- Request for Targeted Case Management (**TCM**) by CHRs to improve community-based elder care, effort led by Standing Rock CHR Program
- Begin Meetings with ND Medical Services in Dept. Human Services about **TCM** and required Medicaid State Plan Amendment (**SPA**) that would b e needed

- Increased discussion related to Tribal HCBS possibilities with CMS, ND Dept. of Human Services, HCBS, Tribal Leadership, Tribal Health, CHRs
- TCM – under the Medicaid **SPA is approved** for ND CHR Programs to provide TCM for Tribal elders & disabled… required training planned with Sitting Bull College @ Standing Rock Sioux Tribe
- QSP-CNA training through "Treasured Elders" @ Cankdeska Cikana Tribal College @ Spirit Lake to plan for Tribal HCBS "healthcare workforce"
- RN, LPN, SW training under "Next Steps" program (until 2015) through Cankdeska Cikana Tribal College @ Spirit Lake Nation
- UND beginning LSW degree program partnership with Sitting Bull College
- **LSWs applied for individual case management option under the QSP program . FAILED EFFORT! HB. 1093 & H.B. 1180 NEEDED !!**

HB 1012
1-23-2013
Attachment #1

Economic Assistance - 2013-15 Biennium Budget

Budget Account Code 521000 - Travel

Category	Description
EAP Statewide Training	EAP Program staff provides statewide training to eligibility workers on policy and procedure. This is to ensure that programs are administered accurately and consistently throughout the state.
EAP Federal Conferences	EAP Program staff training by federal agencies on policy and procedures for EAP programs. This ensures accuracy, reliability, and consistency of program eligibility and maintenance are in accordance with federal regulation. CCAP is a federally mandated conference.
Quality Control/Assurance	Federal and state requirement to measure the accuracy of eligibility and benefit determinations for EAP programs.
Regional Reps	Provide direction, supervision, and training to county social services on the policies and procedures for Economic/Medical assistance programs.
County Employees*	Assist in the development and testing of the new eligibility system. Includes work groups for each EAP program in which county eligibility workers meet with EAP program administrators and assist in the development of policy and procedures.

Whenever possible technology is used in place of face to face training.

* What EAP has done to cut down on conducting statewide training is the development of E-Learning. E-Learning is similar to an on-line college course where the eligibility worker takes a training course at their own pace. This type of training works very well for new workers or small policy trainings. Statewide training is conducted for more difficult policy or new federal regulations.

HB 1012
1/23/2013
Attachment #2

To: House Appropriations – Human Resources Division Committee Members

From: Cheryl Hess, Executive Director

Date: January 22, 2013

RE: DD Council Information

I would like to provide you with information that was requested during my testimony on January 14th, 2013 for the North Dakota State Council on Developmental Disabilities. Enclosed you will find:

- **North Dakota State Council on Developmental Disabilities detailed budget information**
- **Fact sheet on State Council on Developmental Disabilities from the Administration on Intellectual and Developmental Disabilities**

In addition I am proving an update on the buildings/public accommodations information that I presented in my testimony about Council accomplishments. The building/public accommodations were conducted in various communities in North Dakota, and the business varied from restaurants, laundry mats, bus shelters, and other privately owned businesses.

Should you have any further question please contact me at (701) 328-4847.

Best regards,

Cheryl Hess, MHR
Executive Director
State Council on Developmental Disabilities

Enclosure

ADMINISTRATION ON INTELLECTUAL AND DEVELOPMENTAL DISABILITIES

Administr tion for Community Living, U.S. Department of Health nd Hum n Services
http://transition.acf.hhs.gov/programs/aidd

Fact Sheet: State Councils on Developmental Disabilities

State Councils on Developmental Disabilities (Councils) are federally funded, self-governing organizations charged with identifying the most pressing needs of people with developmental disabilities in their state or territory. Councils are committed to advancing public policy and systems change that help these individuals gain more control over their lives.

The 56 Councils across the United States and its territories work to address identified needs by conducting advocacy, systems change, and capacity building efforts that promote self-determination, integration, and inclusion. Key activities include conducting outreach, providing training and technical assistance, removing barriers, developing coalitions, encouraging citizen participation, and keeping policymakers informed about disability issues.

In FY 2011, Councils reported that:

- *26,063 students received education and support needed to reach their educational goals*
- *2,122 adults obtained jobs of their choice*

FY 2012 appropriations provided $74,774,000 to support Councils.

Diverse Council Membership

Council members are appointed by a state's governor; by law, more than 60 percent of a Council's membership must consist of individuals with developmental disabilities or their family members. Advocates and state agency representatives also serve as members. This diversity enables Councils to better analyze and improve systems and services within a state and ensure that the voices of people with developmental disabilities and their families are heard.

Empowerment through Self-Advocacy

Councils focus on empowering individuals through activities that teach self-advocacy skills and support self-determination. By empowering individuals and their families to both advocate for themselves and seek long-term solutions through systems change, Councils are creating an environment of self-sufficiency, self-determination, inclusion, and acceptance. Councils also play a critical role in quality assurance and as innovators in the development of person-centered systems.

State-Level Planning and Goal Implementation

To serve their communities, Councils design 5-year state plans that address new ways of improving service delivery. To implement the state plans, Councils work with different groups in many ways, including educating communities to welcome people with developmental disabilities, funding projects to show new ways that people with disabilities can work, play, and learn, and seeking information from the public and from state and national sources.

HB 1012
1/23/2013
Attachment #3

Department of Human Services
FMAP Breakdown
2013-2015 Executive Budget

		FMAP Expressed in Millions	
Traditional Medical Assistance Grants		$ 29.40	$ 30.7
Healthy Steps Grants		1.3	
Long Term Care (Non-DD)		30.4	
Developmental Disability Grants		24.7	
Foster Care IV-E Grants		1.2	$ 1.9
Adoption Grants		0.7	
Human Service Centers:		2.6	
Northwest HSC	0.1		
North Central HSC	0.2		
Lake Region HSC	0.1		
Northeast HSC	0.6		
Southeast HSC	0.6		
South Central HSC	0.4		
West Central HSC	0.4		
Badlands HSC	0.2		
Institutions:		3.0	
State Hospital	0.2		
Developmental Center	2.8		
		$ 93.30	

HB 1012
1/23/2013
Attachment #4

Department of Human Services
2013-2015 Executive Budget
SALARY UNDERFUNDING

Salary Underfunding		
	2011 - 2013 Budget	2013 - 2015 Executive Budget
Central Office	150,000	-
HSCs	1,100,000	1,847,347
State Hospital	1,696,986	1,696,987
Developmental Center	738,694	738,692
Total Salary Underfunding	3,685,680	4,283,026
Increase in Salary Underfunding		597,346

HB 1012
1/23/2013
Attachment #5

North Dakota Department of Human Services
2013-2015 Executive Budget
4% / 4% Inflation

	Provider Inflation 4.0% / 4.0%			
Provider Groups	**Total**	**General**	**Federal**	**Other**
Inflation for Medicaid grant providers	23,272,774	11,290,119	11,887,805	94,850
Inflation for DD grant providers	27,531,461	13,549,494	13,981,967	-
Inflation for Nursing Homes	16,962,510	8,481,249	8,481,261	-
Inflation for Other LTC providers (Basic Care & QSPs)	4,805,130	3,034,424	1,735,511	35,195
Inflation for Children and Family Service grant providers	5,459,994	1,449,258	3,015,875	994,861
Inflation for Mental Health/Substance Abuse, Aging, Disability Services and Children and Family Services contracted providers	1,548,759	1,449,366	94,961	4,432
Inflation for the Human Service Center contracted providers	1,705,792	1,616,296	88,160	1,336
Total Inflation @ 4% / 4%	**81,286,420**	**40,870,206**	**39,285,540**	**1,130,674**

Medicaid must demonstrate compliance with an annual Upper Payment Limit for Nursing Homes, Intermediate Care Facilities, Psychiatric Residential Treatment Facilities and Hospitals (inpatient and outpatient) based on provider ownership. The UPL categories are private, state government and non-state government operated facilities. A combination of provider rate enhancements increases the likelihood of exceeding the UPL. If the Upper Payment Limit is exceeded, federal Medicaid funding is not available for expenditures for rates that exceed the limit. In order to retain federal Medicaid funding for any portion of the rate, the rates must be reduced to comply with the UPL. ND Medicaid cannot make a separate general fund payment to facilities to make up the difference between the established rate based on legislative appropriation and an adjusted rate which has been reduced to comply with the UPL (Note: for Nursing Homes, due to the equalized rates, if the UPL is met, the rates for both Medicaid and private pay would be reduced to comply with the UPL.)

HB 1012
1/23/2013
Attachment #6

TANF Block Grant
Revenue / Estimated Expenditures
2013-2015 Biennium

	TANF Block Grant	Estimated Expenditures 2013-2015	Estimated CarryForward to 2015-2017
REVENUE			
Carryover	13,595,969	13,595,969	-
Remaining 25% of FY2013	6,599,953	6,599,953	
FY 2014	26,399,809	26,399,809	-
FY 2015 - 75% of grant award	19,799,857	18,382,215	1,417,642
Total Est Expenditures	**66,395,588**	**64,977,946**	**1,417,642**

	Total	Federal	General	Other
ESTIMATED EXPENDITURES				
TANF Benefits	14,532,592	1,420,503	445,001	12,667,088
TANF Job Preparation	13,791,987	12,799,576		992,411
Formation & Maintenance of Families				
Family Preservation Services	6,048,795	4,048,795		2,000,000
Child Abuse & Neglect Investigations	4,747,706	4,747,706		
Foster Care	29,002,876	29,002,876		
Subtotal	39,799,377	37,799,377		2,000,000
Other				
Systems Maint. & Operations	2,240,421	2,240,421		
Alternatives to Abortion	500,000	500,000		
County Direct Services	2,235,863	2,235,863		
DHS Administration	4,294,417	4,294,417		
County Administration	3,687,789	3,687,789		
Subtotal	12,958,490	12,958,490		
Child Care MOE	2,034,072			2,034,072
Total Estimated Expenditures	**83,116,518**	**64,977,946**	**445,001**	**17,693,571**

HB 1012
1/23/2013
Attachment #7

Substance Abuse Treatment Admissions by Primary Substance of Abuse

2011	Alcohol	Marijuana	Amphetamines	Heroin	Other opioids	Alcohol w/ other primary*
ND	35.2	27.5	6.8	0.4	6.8	21.4
MN	29.4	18	8.7	6.7	9.6	21.3
SD	47	14.5	5	0.4	2.7	28.4
MT	24.3	19.2	8.5	1.7	10.2	34.3
OH (2010)	17.9	24.7	0.7	12	10.5	18.6
ID (2010)	14.1	32	25.4	2.6	7.3	15.3
WI	50.6	9.7	1.1	6.7	6.4	18.8

*Alcohol with Secondary Drug This category includes admissions for primary abuse of alcohol with secondary abuse of drugs.

SOURCE: Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration, Treatment Episode Data Set (TEDS)

Based on administrative data reported by States to TEDS through Oct 15, 2012

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-47 MENTAL HEALTH AND SUBSTANCE ABUSE									
S101		FULL-TIME EQUIVALENTS (FTEs)		11.000	17.000	0.000	0.000	0.000	17.000
32510	B	511000	Salaries - Permanent	1,159,513	1,750,584	808,077	84,934	0	1,835,518
32510	B	513000	Temporary Salaries	187,913	129,373	81,389	(86,531)	0	42,842
32510	B	514000	Overtime	3,616	0	0	0	0	0
32510	B	516000	Fringe Benefits	398,708	685,443	303,588	33,554	0	718,997
32510	B	599161	Health Increase	0	0	0	0	38,791	38,791
32510	B	599162	Retirement Increase	0	0	0	0	19,087	19,087
			Subtotal:	1,749,750	2,565,400	1,193,054	31,957	57,878	2,655,235
32510	F	F_1991	Salary - General Fund	316,726	428,250	246,501	(33,934)	56,144	450,460
32510	F	F_1992	Salary - Federal Funds	1,421,167	2,137,150	946,553	65,891	1,734	2,204,775
32510	F	F_1993	Salary - Other Funds	11,857	0	0	0	0	0
			Subtotal:	1,749,750	2,565,400	1,193,054	31,957	57,878	2,655,235
32530	B	521000	Travel	141,865	273,032	69,153	(7,178)	0	265,854
32530	B	531000	Supplies - IT Software	2,747	3,121	2,003	(2,921)	0	200
32530	B	532000	Supply/Material-Professional	155,669	77,352	23,405	1,348	0	78,700
32530	B	536000	Office Supplies	241,395	35,379	34,554	(27,479)	0	7,900
32530	B	541000	Postage	7,157	5,000	65	0	0	5,000
32530	B	542000	Printing	76,920	84,000	41,385	(13,500)	0	70,500
32530	B	551000	IT Equip under $5,000	1,771	3,000	80	(1,000)	0	2,000
32530	B	552000	Other Equip under $5,000	1,554	0	0	0	0	0
32530	B	553000	Office Equip & Furniture-Under	24,661	2,000	0	(2,000)	0	0
32530	B	582000	Rentals/Leases - Bldg/Land	144,147	132,080	69,505	27,736	0	159,816
32530	B	591000	Repairs	63	249	124	9	0	258
32530	B	601000	IT - Data Processing	2,923	3,500	0	(3,500)	0	0
32530	B	602000	IT-Communications	1,465	10,156	5,449	(700)	0	9,456
32530	B	611000	Professional Development	148,736	136,086	56,465	(37,256)	0	98,830
32530	B	621000	Operating Fees and Services	6,125,993	12,042,539	2,084,638	6,202,462	0	18,245,001
			Subtotal:	7,077,066	12,807,494	2,386,826	6,136,021	0	18,943,515

HB 1012
1/23/2013
Attachment #8

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-47 MENTAL HEALTH AND SUBSTANCE ABUSE									
32530	F	F_3991	Operating - General Fund	3,584,848	5,163,755	1,562,982	1,778,748	0	6,942,503
32530	F	F_3992	Operating - Federal Funds	3,324,722	7,511,959	818,263	4,332,130	0	11,844,089
32530	F	F_3993	Operating - Other Funds	167,496	131,780	5,581	25,143	0	156,923
			Subtotal:	7,077,066	12,807,494	2,386,826	6,136,021	0	18,943,515
32560	B	712000	Grants, Benefits & Claims	2,784,393	3,156,502	2,291,708	(1,543,062)	0	1,613,440
			Subtotal:	2,784,393	3,156,502	2,291,708	(1,543,062)	0	1,613,440
32560	F	F_6991	Grants - General Fund	1,409,115	787,163	519,136	(307,366)	0	479,797
32560	F	F_6992	Grants - Federal Funds	1,003,176	1,930,259	1,552,989	(1,210,553)	0	719,706
32560	F	F_6993	Grants - Other Funds	291,778	268,220	124,856	(25,143)	0	243,077
32560	F	F_6995	Grants - County Funds	80,324	170,860	94,727	0	0	170,860
			Subtotal:	2,784,393	3,156,502	2,291,708	(1,543,062)	0	1,613,440
			Subdivision Budget Total:	11,611,209	18,529,396	5,871,588	4,624,916	57,878	23,212,190
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE			**General Funds:**	5,310,689	6,379,168	2,328,619	1,437,448	56,144	7,872,760
			Federal Funds:	5,749,065	11,579,368	3,317,805	3,187,468	1,734	14,768,570
			Other Funds:	471,131	400,000	130,437	0	0	400,000
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	80,324	170,860	94,727	0	0	170,860
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	11,611,209	18,529,396	5,871,588	4,624,916	57,878	23,212,190

Mental Health Substance Abuse - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 17,796	$ 142,020	$ -	$ 159,816
Description	**Square Footage**	**Rate per Square Foot**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Prairie Hills Plaza office space	4,751.78	15.74	17,796	132,783		150,579
NCHSC office space for prevention coordinator				3,057		3,057
Storage for Prevention Materials	1,000.00	6.18		6,180		6,180

Mental Health Substance Abuse - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

	$ 6,814,251	$ 11,273,827	$ 156,923	$ 18,245,001

Description	General Fund	Federal Funds	Other Funds	Total
Social worker and addiction counselor licenses	163	462	-	625
Advertising costs for public notices	1,072	4,428		5,500
Advertising/Research	12,230	19,570		31,800
Service Awards	91	686	-	777
Video Conferencing	73	427	-	500
Mental Health Quality of Service	30,353	89,947	-	120,300
Mental Health Workforce Support	59,757	267,244		327,001
Extended Services Employment Contract	1,378,641	140,000		1,518,641
Traumatic Brain Injury Contracts	662,388			662,388
First Link 211- hotline for mental health, substance abuse and gambling addiction needs	150,000	-	7,200	157,200
Odney- Problem Gambling Awareness	60,277	-	149,723	210,000
Substance Abuse Workforce Support	68,544	194,856		263,400
Recovery Support Initiative	20,650	104,350		125,000
Peer Support	300,000			300,000
Substance Abuse Quality of Service	8,030	16,970		25,000
Enforcing Underage Drinking Laws Enforcement Strategies		200,000		200,000
State Epidemiological Outcomes Workgroup		750,000		750,000
Strategic Prevention Framework- State Incentive Grant		8,600,000		8,600,000
Tribal Prevention		518,400		518,400
Prevention State Intitiative		332,730		332,730
Sex Offender treatment contracts	2,290,297			2,290,297
Behavioral Risk Factor Surveillance System (BRFFS) questions for health dept survey	743	3,757		4,500
SYNAR- Tobacco Compliance		30,000		30,000
Prevention Council Support	80,000			80,000
METH/Controlled Substances Treatment Contract	1,690,942			1,690,942

Mental Health Substance Abuse - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits & Claims

$ 479,797	$ 719,706	$ 413,937	$ 1,613,440

Description	General Fund	Federal Funds	Other Funds	Total
Voluntary Treatment Program	140,000	372,580	170,860	683,440
Mental Health and Aging Training contract	3,661	21,339		25,000
Gambling treatment services	151,923		243,077	395,000
Substance Abuse Recovery Support	48,585	101,415		150,000
Recovery Oriented System of Care Mini Grants	32,390	67,610		100,000
Substance Abuse Recovery Month Mini Grants	3,238	6,762		10,000
Governor's Prevention Advisory Council	100,000			100,000
Recovery Connection		150,000		150,000

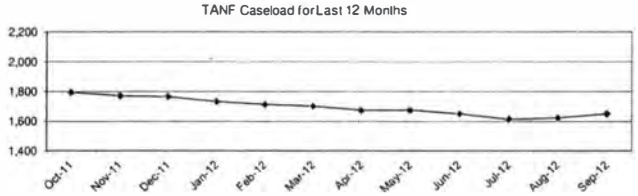
NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2011 - SEPTEMBER 2012

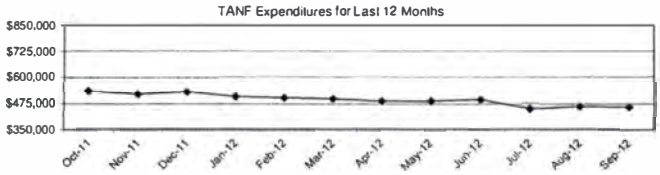
Section 1: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)
APPROPRIATION 2011-2013 BIENNIUM $16,316,966

BUDGET (7/11-09/12)		ACTUAL (7/11-09/12)			
Monthly Avg Cases	Monthly Avg Cost per Case	Monthly Avg Cases	Monthly Avg Cost per Case	Spent to Date	Percent of Appropriation Used*
2,180	$ 302	1,717	$ 294	$ 7,579,976	46.5%

PROGRAM NOTES:

Average monthly TANF recipients:	4,169
Average number of children receiving TANF benefits:	3,223
Average number of child only cases:	776
Average number of individuals participating in work activities:	1,183
Amount of Child Support Collections used to pay TANF grants (see section 7)	$2,034,487





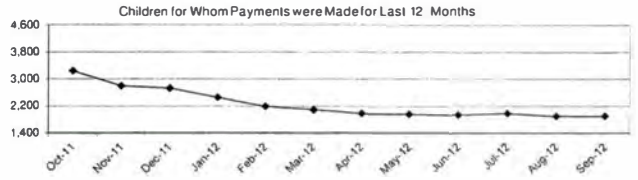
Section 2: CHILD CARE ASSISTANCE (CCA)
APPROPRIATION 2011-2013 BIENNIUM $20,554,852

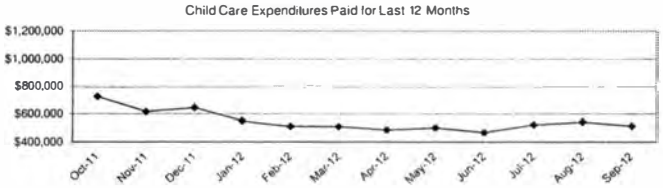
BUDGET (8/11-09/12)		ACTUAL (8/11-09/12)			
Monthly Avg Children for whom CCA paid	Monthly Avg Cost per Child	Monthly Avg Children for whom CCA paid	Monthly Avg Cost per Child	Spent to Date	Percent of Appropriation Used**
3,948	$ 218	2,438	$ 242	$ 8,263,100	40.2%

PROGRAM NOTES:

Average number of Non-TANF children:	1,904
Average number of TANF children:	511
Average number of families receiving payments:	1,532
Average payment per family:	$385

Effective October 1, 2011 the Department revised its policy and implemented a co-payment in accordance with federal Child Care regulations. The co-payment is based on a sliding fee schedule.





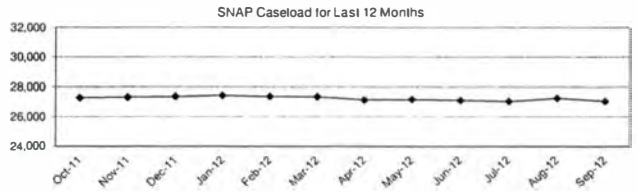
Section 3: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)
APPROPRIATION 2011-2013 BIENNIUM $241,942,496

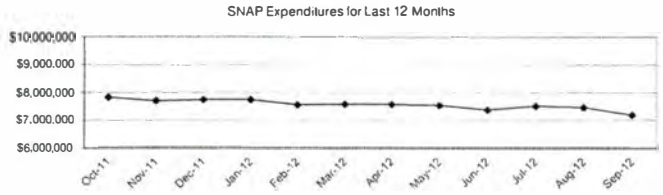
BUDGET (7/11-09/12)		ACTUAL (7/11-09/12)			
Monthly Avg Cases	Monthly Avg Cost per Case	Monthly Avg Cases	Monthly Avg Cost per Case	Spent to Date	Percent of Appropriation Used*
32,628	$ 296	27,376	$ 280	$ 114,890,814	47.5%

PROGRAM NOTES:

Average number of individuals receiving SNAP:	59,058
Average number of children under 18 receiving SNAP:	26,180
Average number of cases with an elderly person (60 or older) :	4,905
Average number of cases with earned income:	10,909

Includes $479,279 of disaster assistance benefits and $147,002 of supplemental and replacement benefits due to the flooding in Minot.





*Percent of Biennium Expired 62.5% - Payments for TANF, SNAP, 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 15 months of payments have been made or 62.5% (15/24) of the biennium has expired.

**Percent of Biennium Expired 58.3% - Payments for Child Care, Developmental Disabilities, Long Term Care, Medical Assistance and Medicare Clawback are made when a billing for the previous month's services have been received. Therefore, approximately 14 months of payments have been made or 58.3% (14/24) of the biennium has expired.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2011 -SEPTEMBER 2012 (continued)

Section 4: LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
A THREE YEAR HEATING SEASON COMPARISON

PROGRAM NOTES:

*The LIHEAP program heating season runs each year from October 1st to May 31st.

Total benefits paid for regular and emergency heating assistance.

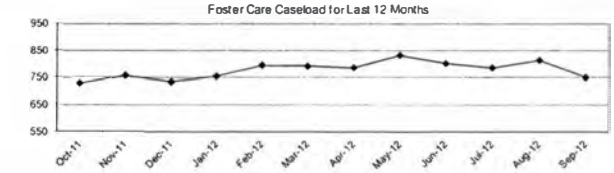
Heating Season	2010 Season*	2011 Season*	2012 Season*
Number of households receiving benefits	16,051	15,840	13,790
Average benefit per household	$ 861	$ 996	$ 873
Total benefits paid	$ 13,815,869	$ 15,775,563	$ 12,035,429

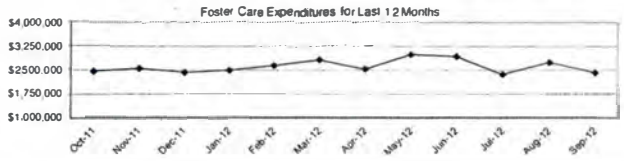
Section 5: FOSTER CARE (MAINTENANCE AND REHAB)
APPROPRIATION 2011-2013 BIENNIUM $66,650,710

BUDGET (7/11-09/12)		ACTUAL (7/11-09/12)			
Monthly Avg Cases	Monthly Avg Cost	Monthly Avg Cases	Monthly Avg Cost	Spent to Date	Percent of Appropriation Used*
864	*Varied by placement*	$ 765	*See program notes*	$ 36,958,683	55.5%

PROGRAM NOTES:

Average monthly cost foster care family homes (48% of caseload):	$1,071
Average monthly cost therapeutic family foster care (23% of caseload):	$3,704
Average monthly cost Residential Child Care Facilities/Group Homes (29% of caseload):	$6,176
Amount of Child Support Collections used to pay Foster Care grants (see section 7)	$2,178,550



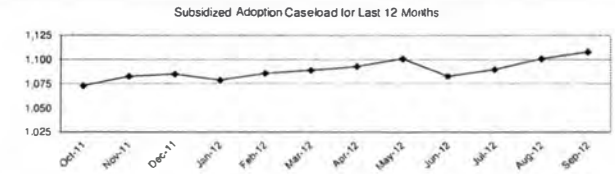


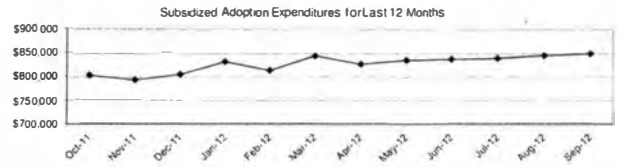
Section 6: SUBSIDIZED ADOPTION FOR SPECIAL NEEDS CHILDREN
APPROPRIATION 2011-2013 BIENNIUM $20,208,724

BUDGET (7/11-09/12)		ACTUAL (7/11-09/12)			
Monthly Avg Cases	Monthly Avg Cost	Monthly Avg Cases	Monthly Avg Cost	Spent to Date	Percent of Appropriation Used*
1,059	$ 778	1,081	$ 771	$ 12,501,092	61.9%

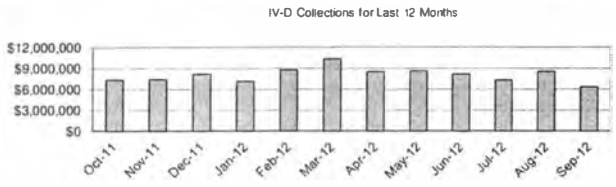
PROGRAM NOTES:

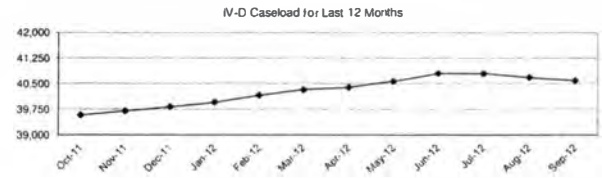
A special needs child is a child legally available for adoptive placement and who is seven years of age or older; under eighteen years of age with a physical, emotional, or mental disability or has been diagnosed to be a high risk for such a disability; a member of a minority; or a member of a sibling group.





Section 7 - CHILD SUPPORT ENFORCEMENT





Total IV-D Collections for Last 12 Months:	$96,649,263
Collections Distributed to:	
-IV-D Families	86.0%
-Other States	7.7%
-Federal government reimbursement	2.7%
-TANF Grant Program (see section 1)	1.8%
-Foster Care Program (see section 4)	1.8%
-Other	0.0%
	100.0%
Total NonIV-D Payments for Last 12 months.	$42,176,259
Total State Disbursement Unit Receipts for Last 12 Months:	$138,825,522

PROGRAM NOTES:

A IV-D case receives full services and is created when the program receives an application for services from one of the parents, a referral from a department program (TANF, Foster Care, and Medicaid), or a request for assistance from another state's program.

A NonIV-D case is one in which there is a child support order but the program has not received an application, a referral, a request for assistance; or which was previously a IV-D case that was subsequently closed.

*Percent of Biennium Expired 62.5% - Payments for TANF, SNAP, 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 15 months of payments have been made or 62.5% (15/24) of the biennium has expired.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2011 -SEPTEMBER 2012 (continued)

Section 8 - MEDICAID ELIGIBLES AND RECIPIENTS
2011 - 2013 BIENNIUM

Comparison of Eligible's	Oct-11	Sep-12	Difference
Under age 21	36,776	36,818	42
Over age 65 (Aged)	7,726	7,740	14
Disabled	10,371	10,441	70
Adults	11,783	11,368	(415)
Total	66,656	66,367	(289)

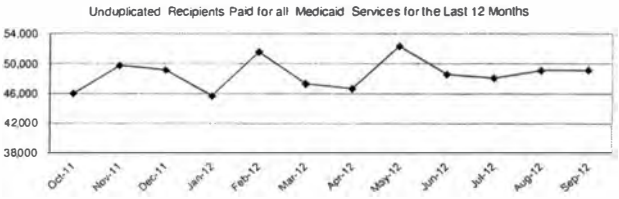
PROGRAM NOTES:
Eligible's include all Medical Assistance and Long Term Care Continuum Medicaid eligible's with the exception of SPED and Expanded SPED.

For the last twelve months approximately 55% of the above eligible's were under the age of 21, 12% were classified as aged, 16% were disabled, and 17% were adults.

Medicaid Eligible's have been restated to include QMB, SLMB, and QI premium recipients.

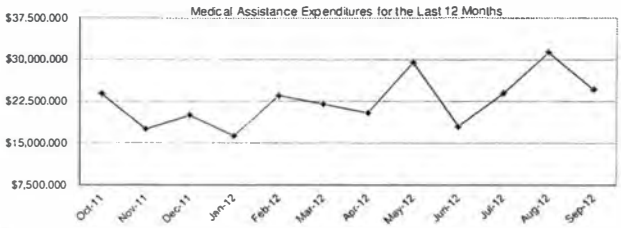
Fluctuation in recipients due to the timing of when claims are received and processed for payment.

A change in claims' transaction standards required by HIPAA, known as 5010, was implemented in January 2012. This change created claims processing and payment delays in January for some of the billing entities required to comply, the majority of which were resolved in February.



Section 9 - MEDICAL ASSISTANCE
APPROPRIATION 2011 - 2013 BIENNIUM $653,317,817

	Actual Paid (8/11-09/12)			
Service	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used**
Inpatient Hospital	1,135	6,418	101,987,415	62.9%
Outpatient Hospital	7,887	381	42,053,668	56.6%
Physician	21,890	215	66,021,905	63.0%
Net Drugs (Includes Rebates)	19,165	78	20,894,411	41.4%
Dental	4,004	267	14,953,189	62.2%
Healthy Steps	3,886	273	14,834,017	53.9%
Other	- -	- -	83,462,805	39.7%
Total Medical Assistance Expenditures to Date			$ 344,207,410	52.7%



PROGRAM NOTES:
Fluctuations in expenses due to the timing of when payments are made.

A change in claims' transaction standards required by HIPAA, known as 5010, was implemented in January 2012. This change created claims processing and payment delays in January for some of the billing entities required to comply, the majority of which were resolved in February.

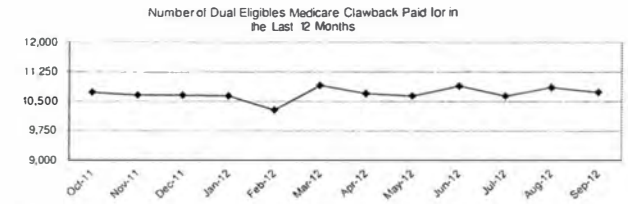
A large Medicaid provider (hospital and clinic services) has experienced delays in submitting claims for reimbursement. The delay has resulted in a lower level of actual Medicaid expenditures. The provider is working through their internal billing process and plans to be submitting a more regular level of claims starting November 2012.

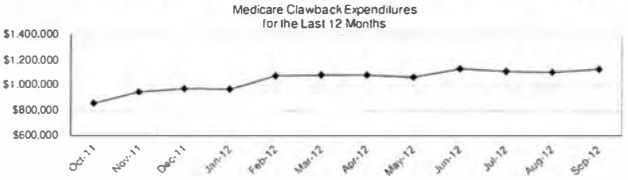
PROGRAM NOTES (continued):
Also, in mid-November the Department learned of a second large provider with internal billing issues that had accrued a high level of Medicaid accounts receivable. The Department is working with the provider to assist them with submitting claims.

Section 10 - MEDICARE CLAWBACK
APPROPRIATION 2011 - 2013 BIENNIUM $26,307,479

Budget (8/11-09/12)		Actual Paid (8/11-09/12)			
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**
10,815	98	10,693	101	$ 15,058,766	57.2%

PROGRAM NOTES:





**Percent of Biennium Expired 58.3% - Payments for Child Care, Developmental Disabilities, Long Term Care, Medical Assistance and Medicare Clawback are made when a billing for the previous month's services have been received. Therefore, approximately 14 months of payments have been made or 58.3% (14/24) of the biennium has expired

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

QUARTERLY BUDGET INSIGHT

BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS

JULY 2011 -SEPTEMBER 2012 (continued)

Section 11 - LONG TERM CARE CONTINUUM
APPROPRIATION 2011 - 2013 BIENNIUM $551,950,993

	Budget (8/11-09/12)		Actual Paid (8/11-09/12)			
Service	Monthly Average Units of Service	Monthly Average Cost Per Unit	Monthly Average Units of Service	Monthly Average Cost Per Unit	Spent to Date	Percentage of Appropriation Used**
Nursing Homes (& Hospice)	102,410	184	98,268	178	244,711,714	53.2%
Basic Care	32,773	32	37,229	30	15,845,696	61.0%

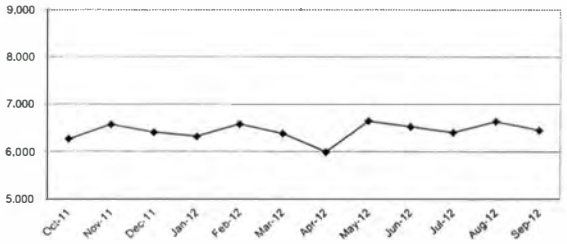
Service	Monthly Average Number of People	Monthly Average Cost Per Person	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used**
SPED	1,340	421	1,209	377	6,377,774	46.3%
Expanded SPED	132	284	138	238	460,058	48.8%
HCBS Waiver	317	1,209	300	1,263	5,310,075	55.7%
Targeted Case Management	483	132	475	132	879,763	56.2%
Personal Care Option	661	1,791	618	1,601	13,855,166	47.5%
Tech. Dep. Waiver	2	10,310	1	10,573	148,025	29.6%
Medically Fragile Waiver	8	1,459	4	1,272	62,332	19.6%
PACE	80	4,535	47	5,476	3,597,625	38.4%
Children's Hospice Waiver	16	2,434	1	929	929	0.1%
Total Long-Term Care Continuum Expenditures to Date					$ 291,249,157	52.8%

PROGRAM NOTES:
A unit is equal to one day of service.

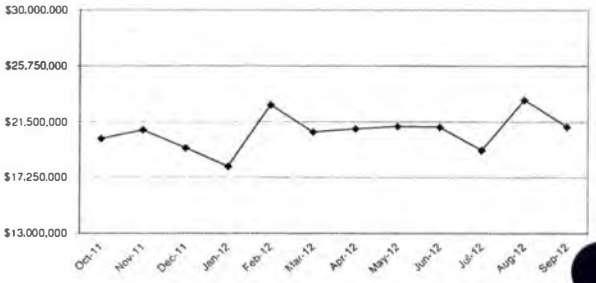
Fluctuations in expenses due to the timing of when payments are made.

A change in claims' transaction standards required by HIPAA, known as 5010, was implemented in January 2012. This change created claims processing and payment delays in January for some of the billing entities required to comply, the majority of which were resolved in February.

Recipient Claims Paid for all Long Term Care Continuum for the Last 12 Months



Long Term Care Continuum Expenditures for the Last 12 Months



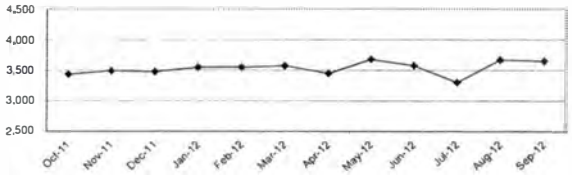
Section 12 - DEVELOPMENTAL DISABILITIES
APPROPRIATION 2011 - 2013 BIENNIUM $396,996,033

	Actual Paid (8/11-09/12)			
Service	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used**
ICF/ID	427	13,123	78,438,966	60.6%
ISLA	789	4,640	51,256,010	60.8%
MSLA	224	6,086	19,121,241	64.1%
Day Supports	1,145	2,325	37,266,531	60.1%
Other			54,957,899	60.1%
Total Developmental Disabilities Expenditures to Date			$ 241,040,647	60.7%

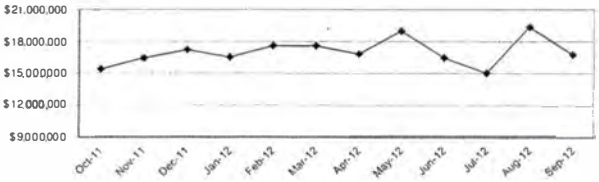
PROGRAM NOTES:
Fluctuations in expenses due to the timing of when payments are made.

A change in claims' transaction standards required by HIPAA, known as 5010, was implemented in January 2012. This change created claims processing and payment delays in January for some of the billing entities required to comply, the majority of which were resolved in February.

Recipient Claims Paid for Developmental Disabilities for the Last 12 Months



Developmental Disabilities Expenditures for the Last 12 Months



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DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-51 VOC REHAB									
		S101	FULL-TIME EQUIVALENTS (FTEs)	33.000	34.000	0.000	0.000	0.000	34.000
32510	B	511000	Salaries - Permanent	3,111,069	3,318,801	1,471,283	125,553	0	3,444,354
32510	B	513000	Temporary Salaries	296,810	239,151	213,986	(112,599)	0	126,552
32510	B	514000	Overtime	37,762	31,200	11,051	936	0	32,136
32510	B	516000	Fringe Benefits	1,330,072	1,491,942	608,971	(94,867)	0	1,397,075
32510	B	599161	Health Increase	0	0	0	0	77,577	77,577
32510	B	599162	Retirement Increase	0	0	0	0	35,559	35,559
			Subtotal:	4,775,713	5,081,094	2,305,291	(80,977)	113,136	5,113,253
32510	F	F_1991	Salary - General Fund	300,993	331,164	169,187	47,624	7,670	386,458
32510	F	F_1992	Salary - Federal Funds	4,471,799	4,749,930	2,136,104	(128,601)	105,466	4,726,795
32510	F	F_1993	Salary - Other Funds	2,921	0	0	0	0	0
			Subtotal:	4,775,713	5,081,094	2,305,291	(80,977)	113,136	5,113,253
32530	B	521000	Travel	228,811	176,097	87,310	100,019	0	276,116
32530	B	531000	Supplies - IT Software	45,942	36,050	21,403	6,950	0	43,000
32530	B	532000	Supply/Material-Professional	8,425	22,490	12,060	(3,490)	0	19,000
32530	B	536000	Office Supplies	36,137	37,358	7,119	(4,868)	0	32,490
32530	B	541000	Postage	49,836	25,125	24,232	26,995	0	52,120
32530	B	542000	Printing	99,259	85,558	40,875	46,442	0	132,000
32530	B	551000	IT Equip under $5,000	11,464	91,600	90,509	(90,800)	0	800
32530	B	552000	Other Equip under $5,000	55,535	2,625	1,943	(2,625)	0	0
32530	B	553000	Office Equip & Furniture-Under	83,968	19,865	14,143	(15,465)	0	4,400
32530	B	581000	Rentals/Leases-Equip & Other	18,853	18,175	8,118	(1,451)	0	16,724
32530	B	582000	Rentals/Leases - Bldg/Land	443,043	413,761	203,123	4,876	0	418,637
32530	B	591000	Repairs	12,819	11,240	6,188	(3,978)	0	7,262
32530	B	602000	IT-Communications	821	3,752	1,490	(1,352)	0	2,400
32530	B	611000	Professional Development	150,255	99,950	54,616	15,499	0	115,449
32530	B	621000	Operating Fees and Services	835,179	401,365	315,296	(117,972)	0	283,393
32530	B	623000	Fees - Professional Services	613,085	597,675	232,731	(33,675)	0	564,000

HB 1012
2/23/2012
Attachment #9

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-51 VOC REHAB									
			Subtotal:	2,693,432	2,042,686	1,121,156	(74,895)	0	1,967,791
32530	F	F_3991	Operating - General Fund	245,363	210,796	170,178	(23,622)	0	187,174
32530	F	F_3992	Operating - Federal Funds	2,408,928	1,831,890	950,978	(51,273)	0	1,780,617
32530	F	F_3993	Operating - Other Funds	39,141	0	0	0	0	0
			Subtotal:	2,693,432	2,042,686	1,121,156	(74,895)	0	1,967,791
32560	B	712000	Grants, Benefits & Claims	22,339,984	20,735,802	9,790,739	(2,331,397)	0	18,404,405
			Subtotal:	22,339,984	20,735,802	9,790,739	(2,331,397)	0	18,404,405
32560	F	F_6991	Grants - General Fund	4,555,124	4,485,798	2,198,718	402,755	0	4,888,553
32560	F	F_6992	Grants - Federal Funds	17,741,727	16,155,004	7,557,308	(2,724,152)	0	13,430,852
32560	F	F_6993	Grants - Other Funds	43,133	95,000	34,713	(10,000)	0	85,000
			Subtotal:	22,339,984	20,735,802	9,790,739	(2,331,397)	0	18,404,405
			Subdivision Budget Total:	29,809,129	27,859,582	13,217,186	(2,487,269)	113,136	25,485,449
			General Funds:	5,101,480	5,027,758	2,538,083	426,757	7,670	5,462,185
			Federal Funds:	24,622,454	22,736,824	10,644,390	(2,904,026)	105,466	19,938,264
300-51 VOC REHAB			**Other Funds:**	85,195	95,000	34,713	(10,000)	0	85,000
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	29,809,129	27,859,582	13,217,186	(2,487,269)	113,136	25,485,449

Vocational Rehabilitation - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Prairie Hills Plaza office space	12,778.53	15.74	18,700	383,317	-	402,017
Prairie Hills Plaza storage space	500.00	6.18	1,853	4,327	-	6,180
Miscellaneous rent (booth & room rentals)			2,605	7,835	-	10,440
			-	-		-
			$ 23,158	**$ 395,479**	**$ -**	**$ 418,637**

Vocational Rehabilitation - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

Description	General Fund	Federal Funds	Other Funds	Total
Service to search for client information	256	944	-	1,200
Employee years of service awards	770	5,281	-	6,051
Updating, modification and production of current informational DVDs	22,365	82,635	-	105,000
Speakers at training conferences	3,195	11,805	-	15,000
Cognitive Motivational Tools training	10,650	39,350	-	50,000
Consultants for Disability Determination Services consultive exams	-	20,000	-	20,000
Clerical support for Disability Determination Services office	-	72,000	-	72,000
Consultant for strategic planning	532	1,968	-	2,500
Newspaper ads for public forums	478	1,022	-	1,500
Fingerprinting and background checks	-	4,000	-	4,000
Freight and shipping	438	2,202	-	2,640
Repair service calls	899	2,101		3,000
Miscellaneous operating fees and services	130	372	-	502
	$ 39,713	**$ 243,680**	**$ -**	**$ 283,393**

Vocational Rehabilitation - 2013-15 Biennium Budget

Budget Account Code 623000 - Professional Fees and Services

Description	General Fund	Federal Funds	Other Funds	Total
Disability Determination Services contracts with doctors to provide claim reviews	-	560,000	-	560,000
Disability Determination Services interpreter fees for client interviews	-	4,000	-	4,000
	-	-	-	-
	$ -	**$ 564,000**	**$ -**	**$ 564,000**

Vocational Rehabilitation - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits & Claims

Description	General Fund	Federal Funds	Other Funds	Total
Older Blind client purchases	-	61,326	-	61,326
Randolph Sheppard program	-	-	85,000	85,000
Technical assistance for individuals with disabilities - Interagency Program for Assistive Technology	500,000	888,504	-	1,388,504
Client Assistance Program services contract	-	227,236	-	227,236
Client services grants	2,221,590	8,208,410	-	10,430,000
Benefits planner contract	47,925	177,075	-	225,000
Centers for Independent Living contracts	1,726,238	818,301	-	2,544,539
Disability Determination Services claiment grants	-	2,450,000	-	2,450,000
Extended Services and Supported Employment grants	392,800	600,000	-	992,800
	-	-	-	-
	$ 4,888,553	**$ 13,430,852**	**$ 85,000**	**$ 18,404,405**

Testimony for HB 1012

Chairman Pollert, members of the appropriation committee Humans resources division, my name is Steven Reiser and I am the social service director for Dakota Central Social Service District and a member of the North Dakota County Social Service Directors Association.

Thank you for this opportunity to submit this testimony and thank you for all the work you have been doing on this budget.

County social services and the Department of Human Services have a unique partnership when it comes to providing services to our clients. Some of the programs that you have heard testimony on the counties relationship with DHS is this. We refer clients to the human services centers for the treatment and services they need. In other programs DHS develops the policy and counties administer the program. It is the programs that counties administer that I will address today.

First let me say that I support HB 1012 and appreciate all the work DHS and the governor's office have put into creating this budget. There are many things that counties can support in the budget.

In the area of aging services and home and community based service let me say that counties support the inflators that have been built for Quality Service Providers. Counties support the wage increases in this budget. We also support the mileage payments in the budget for the QSP's. Counties support the efforts being made in the area of adult guardianships. Counties support both plans for the guardianships. (The one made by legislative council and what's included in this budget) One area that counties believe there could be improvement in is the area of funding adult protective services. Some areas of the state have very limited access to this program. There is a need for these positions to be more fully funded to protect adults who may be getting abused or neglected.

In the area of Children and Family Services, counties support the inflators that are in the budget for foster care payments, child protection assessments, etc. You have heard testimony regarding private agencies that have contracts with DHS that are in energy impacted areas requesting the increases similar to what is proposed at human service centers in those regions. Counties have contracts with DHS also and would request that you consider giving them some consideration when looking at funding in energy impacted regions. These contracts include social workers to provide child protection services, family social workers and parent aides to name a few. Another area that I would request you look at in that of Family Group Decision Making. This was a pilot project in a couple of counties and I suggest that it should be made available state wide. I think the results from the pilot projects would show that the program was successful.

Lastly I would like to talk about the cost to counties. This budget shows that there will be a 21 million dollar cost to counties. The only way counties can raise the money for these costs is through property tax. One way to decrease these costs to the county would be to for DHS to pay the county's share of program costs like foster care and subsidized adoption. The last fiscal year these costs were about 8.7 million dollars to counties.

That concludes my testimony and I would be willing to answer any questions.

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 420-00 STATE HOSPITAL									
S101		FULL-TIME EQUIVALENTS (FTEs)		378.960	371.830	0.000	(2.060)	0.000	369.770
32552	B	684000 Extraordinary Repairs		1,069,405	62,601	51,494	(62,601)	0	0
			Subtotal:	1,069,405	62,601	51,494	(62,601)	0	0
32552	F	F_5991 Land & Cptl Imprv - Gen Fund		1,069,405	62,601	51,494	(62,601)	0	0
			Subtotal:	1,069,405	62,601	51,494	(62,601)	0	0
32570	B	511000 Salaries - Permanent		30,726,718	34,256,102	16,346,647	(610,288)	0	33,645,814
32570	B	512000 Salaries-Other		570,341	605,769	292,239	125,607	0	731,376
32570	B	513000 Temporary Salaries		911,277	558,096	521,557	(90,266)	0	467,830
32570	B	514000 Overtime		391,689	265,179	246,063	318,261	0	583,440
32570	B	516000 Fringe Benefits		12,669,972	14,609,688	6,890,199	(121,435)	0	14,488,253
32570	B	519100 Reduction in Salary - Budget		0	(796,986)	0	(46,383)	0	(843,369)
32570	B	521000 Travel		329,433	419,016	179,988	53,571	0	472,587
32570	B	531000 Supplies - IT Software		30,776	38,734	27,485	4,903	0	43,637
32570	B	532000 Supply/Material-Professional		185,724	212,006	117,921	(109)	0	211,897
32570	B	533000 Food and Clothing		948,187	1,096,397	542,538	46,923	0	1,143,320
32570	B	534000 Bldg, Grounds, Vehicle Supply		600,585	692,954	343,475	(3,624)	0	689,330
32570	B	535000 Miscellaneous Supplies		266,266	203,628	102,059	(28,233)	0	175,395
32570	B	536000 Office Supplies		326,066	314,641	203,958	82,904	0	397,545
32570	B	541000 Postage		16,259	18,406	8,497	(3,733)	0	14,673
32570	B	542000 Printing		40,478	40,022	18,296	(5,424)	0	34,598
32570	B	552000 Other Equip under $5,000		145,308	32,400	20,771	18,299	0	50,699
32570	B	553000 Office Equip & Furniture-Under		8,262	71,876	423	(36,626)	0	35,250
32570	B	561000 Utilities		1,514,030	1,549,397	824,783	178,436	0	1,727,833
32570	B	571000 Insurance		94,159	135,169	46,490	(60,997)	0	74,172
32570	B	581000 Rentals/Leases-Equip & Other		29,744	142,365	10,489	(126,395)	0	15,970
32570	B	582000 Rentals/Leases - Bldg/Land		1,004	800	784	(200)	0	600
32570	B	591000 Repairs		371,821	307,392	111,008	(43,060)	0	264,332
32570	B	599161 Health Increase		0	0	0	0	827,750	827,750
32570	B	599162 Retirement Increase		0	0	0	0	348,707	348,707

State Hospital - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

	$ 162,501	$ 263	$ 69,484	$ 232,248

Description	General Fund	Federal Funds	Other Funds	Total
Licenses and Taxes	29,725	188	62,029	91,942
Advertising services - staff recruitment	36,261			36,261
Extermination service - pest control	8,903			8,903
Freight and Express	22,668	75	2,436	25,179
Service Awards	33,844			33,844
Research fees - Background checks for new staff	1,421			1,421
Miscellaneous Refunds - Sales tax on Gobbler and Volunteers	20,742		4,209	24,951
Hazardous waste collection - medical waste	8,300		810	9,110
Other operating fees	637			637

State Hospital - 2013-15 Biennium Budget

Budget Account Code 623000 - Professional Fees and Services

$ 1,118,126	$ 8,135	$ 160,583	$ 1,286,844

Description	General Fund	Federal Funds	Other Funds	Total
Legal Services - patient hearings	12,874		36,605	49,479
Management/Consulting - Dentist, Med Equip testing, pharm contr	81,816	2,876		84,692
Outside doc & hosp - pt. medical care, pathology, radiology	589,962	3,879	98,204	692,045
Professionals not classified - work program, Joint Commission, intern	433,474	1,380	25,774	460,628

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 420-00 STATE HOSPITAL									
32570	B	602000	IT-Communications	253,872	268,491	112,542	12,832	0	281,323
32570	B	603000	IT Contractual Services and Re	27	50	30	(50)	0	0
32570	B	611000	Professional Development	109,919	193,327	91,089	2,183	0	195,510
32570	B	621000	Operating Fees and Services	210,736	226,868	91,140	5,380	0	232,248
32570	B	623000	Fees - Professional Services	1,882,342	1,556,440	875,342	(269,596)	0	1,286,844
32570	B	625000	Medical, Dental and Optical	3,056,404	3,059,905	1,284,845	(321,090)	0	2,738,815
32570	B	682000	Land and Buildings	0	1,800,000	0	(1,800,000)	0	0
32570	B	683000	Other Capital Payments	424,537	0	0	0	0	0
32570	B	684000	Extraordinary Repairs	3,339,360	703,650	506,411	1,071,518	0	1,775,168
32570	B	691000	Equipment Over $5000	176,169	30,000	28,397	221,413	0	251,413
			Subtotal:	59,631,465	62,611,782	29,845,466	(1,425,279)	1,176,457	62,362,960
32570	F	F_7091	HSCs & Institutions - Gen Fund	39,210,189	42,465,379	19,296,350	(488,332)	1,131,750	43,108,797
32570	F	F_7092	HSCs & Institutions - Fed Fnds	3,880,586	2,609,783	2,255,549	(874,999)	44,707	1,779,491
32570	F	F_7093	HSCs & Institutions - Oth Fnds	16,540,690	17,536,620	8,293,567	(61,948)	0	17,474,672
			Subtotal:	59,631,465	62,611,782	29,845,466	(1,425,279)	1,176,457	62,362,960
			Subdivision Budget Total:	60,700,870	62,674,383	29,896,960	(1,487,880)	1,176,457	62,362,960
			General Funds:	40,279,594	42,527,980	19,347,844	(550,933)	1,131,750	43,108,797
			Federal Funds:	3,880,586	2,609,783	2,255,549	(874,999)	44,707	1,779,491
420-00 STATE HOSPITAL			**Other Funds:**	16,540,690	17,536,620	8,293,567	(61,948)	0	17,474,672
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	60,700,870	62,674,383	29,896,960	(1,487,880)	1,176,457	62,362,960

State Hospital - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 600	$ -	$ -	$ 600

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Booth rental for recruiting fairs			600			600

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 421-00 SH SECURED SERVICES									
		S101	FULL-TIME EQUIVALENTS (FTEs)	82.550	88.680	0.000	(1.000)	0.000	87.680
32570	B	511000	Salaries - Permanent	5,473,499	6,342,359	2,820,029	328,940	0	6,671,299
32570	B	512000	Salaries-Other	164,872	173,448	82,668	(173,448)	0	0
32570	B	513000	Temporary Salaries	42,029	209,581	90,063	(59,869)	0	149,712
32570	B	514000	Overtime	215,555	228,697	136,495	(228,697)	0	0
32570	B	516000	Fringe Benefits	2,552,041	3,027,651	1,288,494	59,677	0	3,087,328
32570	B	519100	Reduction in Salary - Budget	0	(900,000)	0	46,382	0	(853,618)
32570	B	521000	Travel	18,828	12,375	5,714	(2,840)	0	9,535
32570	B	531000	Supplies - IT Software	10,396	8,496	4,970	709	0	9,205
32570	B	532000	Supply/Material-Professional	3,947	13,865	3,403	2,946	0	16,811
32570	B	533000	Food and Clothing	362,802	396,982	87,163	(50,382)	0	346,600
32570	B	534000	Bldg, Grounds, Vehicle Supply	58,976	60,602	28,933	24,326	0	84,928
32570	B	535000	Miscellaneous Supplies	70,071	22,656	16,003	30,692	0	53,348
32570	B	536000	Office Supplies	104,578	19,970	7,048	(8,066)	0	11,904
32570	B	541000	Postage	4,668	5,594	2,370	4,734	0	10,328
32570	B	542000	Printing	11,636	10,543	3,532	(1,830)	0	8,713
32570	B	552000	Other Equip under $5,000	28,858	5,700	5,699	3,000	0	8,700
32570	B	553000	Office Equip & Furniture-Under	0	18,550	0	(11,050)	0	7,500
32570	B	561000	Utilities	252,168	241,323	129,264	10,488	0	251,811
32570	B	571000	Insurance	19,436	25,633	4,222	(13,032)	0	12,601
32570	B	581000	Rentals/Leases-Equip & Other	75	150	120	(50)	0	100
32570	B	591000	Repairs	12,404	46,622	6,655	(15,628)	0	30,994
32570	B	599161	Health Increase	0	0	0	0	185,320	185,320
32570	B	599162	Retirement Increase	0	0	0	0	69,380	69,380
32570	B	602000	IT-Communications	60,535	33,074	13,703	3,617	0	36,691
32570	B	603000	IT Contractual Services and Re	0	50	30	(50)	0	0
32570	B	611000	Professional Development	11,974	42,072	800	1,308	0	43,380
32570	B	621000	Operating Fees and Services	20,085	36,816	6,053	267	0	37,083
32570	B	623000	Fees - Professional Services	338,480	466,427	161,406	108,448	0	574,875
32570	B	625000	Medical, Dental and Optical	285,170	394,878	132,953	(132,730)	0	262,148
32570	B	691000	Equipment Over $5000	24,705	0	0	0	0	0

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 421-00 SH SECURED SERVICES								
		Subtotal:	10,147,788	10,944,114	5,037,790	(72,138)	254,700	11,126,676
32570	F	F_7091 HSCs & Institutions - Gen Fund	10,124,657	10,944,114	5,037,790	(72,138)	254,700	11,126,676
32570	F	F_7093 HSCs & Institutions - Oth Fnds	23,131	0	0	0	0	0
		Subtotal:	10,147,788	10,944,114	5,037,790	(72,138)	254,700	11,126,676
		Subdivision Budget Total:	10,147,788	10,944,114	5,037,790	(72,138)	254,700	11,126,676
421-00 SH SECURED SERVICES		**General Funds:**	10,124,657	10,944,114	5,037,790	(72,138)	254,700	11,126,676
		Federal Funds:	0	0	0	0	0	0
		Other Funds:	23,131	0	0	0	0	0
		SWAP Funds:	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0
		Subdivision Funding Total:	10,147,788	10,944,114	5,037,790	(72,138)	254,700	11,126,676

Secured Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

	$ 37,083	$ -	$ -	$ 37,083

Description	General Fund	Federal Funds	Other Funds	Total
Staff licenses	7,000			7,000
Jamestown city specials for road repair	10,265			10,265
Advertising services for staff recruitment	8,739			8,739
Pest control services	1,297			1,297
Freight and express	1,283			1,283
Service awards	8,156			8,156
BCI background checks for new staff	343			343

Secured Services - 2013-15 Biennium Budget

Budget Account Code 623000 - Professional Fees and Services

	$ 574,875	**$ -**	**$ -**	**$ 574,875**

Description	General Fund	Federal Funds	Other Funds	Total
Forensic Psychology Consultant	26,000			26,000
Staff drug tests	923			923
Radiologist	1,747			1,747
Medical treatments for patients	25,000			25,000
Psychological examinations @$5,000 each	500,000			500,000
Patient court hearings and legal fees	21,205			21,205

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 430-00 **DEVELOPMENTAL CENTER**									
S101		FULL-TIME EQUIVALENTS (FTEs)		430.290	392.760	0.000	(0.210)	0.000	392.550
32552	B	684000 Extraordinary Repairs		16,947	0	0	0	0	0
			Subtotal:	16,947	0	0	0	0	0
32552	F	F_5991 Land & Cptl Imprv - Gen Fund		16,947	0	0	0	0	0
			Subtotal:	16,947	0	0	0	0	0
32570	B	511000 Salaries - Permanent		25,718,933	26,479,757	12,961,200	612,330	0	27,092,087
32570	B	512000 Salaries-Other		287,374	208,871	129,487	41,135	0	250,006
32570	B	513000 Temporary Salaries		598,715	534,819	268,101	(9,987)	0	524,832
32570	B	514000 Overtime		370,686	245,303	175,087	3	0	245,306
32570	B	516000 Fringe Benefits		12,900,409	13,781,516	6,561,025	369,369	0	14,150,885
32570	B	519100 Reduction in Salary - Budget		0	(738,694)	0	2	0	(738,692)
32570	B	521000 Travel		506,657	497,660	292,902	(20,000)	0	477,660
32570	B	531000 Supplies - IT Software		16,262	26,274	14,977	0	0	26,274
32570	B	532000 Supply/Material-Professional		33,852	53,731	27,816	(10,000)	0	43,731
32570	B	533000 Food and Clothing		1,208,131	957,828	533,105	0	0	957,828
32570	B	534000 Bldg, Grounds, Vehicle Supply		351,169	373,574	176,226	(80,000)	0	293,574
32570	B	535000 Miscellaneous Supplies		216,284	252,345	99,176	(50,000)	0	202,345
32570	B	536000 Office Supplies		139,070	141,024	65,693	(20,000)	0	121,024
32570	B	541000 Postage		17,045	20,836	8,886	(4,000)	0	16,836
32570	B	542000 Printing		15,852	24,878	10,224	(8,000)	0	16,878
32570	B	552000 Other Equip under $5,000		54,021	24,600	23,696	10,000	0	34,600
32570	B	553000 Office Equip & Furniture-Under		8,062	7,650	2,784	(3,000)	0	4,650
32570	B	561000 Utilities		2,214,432	1,973,824	1,020,993	150,000	0	2,123,824
32570	B	571000 Insurance		84,429	124,723	41,555	(50,000)	0	74,723
32570	B	581000 Rentals/Leases-Equip & Other		53,365	42,308	25,213	(4,000)	0	38,308
32570	B	582000 Rentals/Leases - Bldg/Land		161	650	225	0	0	650
32570	B	591000 Repairs		395,512	458,947	241,894	(55,000)	0	403,947
32570	B	599161 Health Increase		0	0	0	0	921,798	921,798
32570	B	599162 Retirement Increase		0	0	0	0	276,549	276,549

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision and Bgt_Acct with Funding Sources

For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 430-00 DEVELOPMENTAL CENTER									
32570	B	602000	IT-Communications	243,939	218,525	121,823	0	0	218,525
32570	B	611000	Professional Development	45,636	47,158	22,328	(5,000)	0	42,158
32570	B	621000	Operating Fees and Services	2,639,409	2,848,694	1,412,393	200,000	0	3,048,694
32570	B	623000	Fees - Professional Services	147,872	190,984	79,859	(50,000)	0	140,984
32570	B	625000	Medical, Dental and Optical	1,055,561	927,991	429,291	(1,000)	0	926,991
32570	B	683000	Other Capital Payments	486,537	0	0	0	0	0
32570	B	684000	Extraordinary Repairs	662,504	579,469	106,858	382,026	0	961,495
32570	B	691000	Equipment Over $5000	81,785	0	0	152,000	0	152,000
			Subtotal:	50,553,664	50,305,245	24,852,817	1,546,878	1,198,347	53,050,470
32570	F	F_7091	HSCs & Institutions - Gen Fund	14,007,671	19,583,796	10,022,124	4,782,408	620,048	24,986,252
32570	F	F_7092	HSCs & Institutions - Fed Fnds	31,879,347	27,220,951	13,152,104	(2,735,032)	578,299	25,064,218
32570	F	F_7093	HSCs & Institutions - Oth Fnds	4,666,646	3,500,498	1,678,589	(500,498)	0	3,000,000
			Subtotal:	50,553,664	50,305,245	24,852,817	1,546,878	1,198,347	53,050,470
			Subdivision Budget Total:	50,570,611	50,305,245	24,852,817	1,546,878	1,198,347	53,050,470
430-00 DEVELOPMENTAL CENTER			**General Funds:**	14,024,618	19,583,796	10,022,124	4,782,408	620,048	24,986,252
			Federal Funds:	31,879,347	27,220,951	13,152,104	(2,735,032)	578,299	25,064,218
			Other Funds:	4,666,646	3,500,498	1,678,589	(500,498)	0	3,000,000
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	50,570,611	50,305,245	24,852,817	1,546,878	1,198,347	53,050,470

ND Developmental Center - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$ 297	$ 314	$ 39	$ 650
Description	**Square Footage**	**Rate per Square Foot**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Rental of booth space, Human Resources, Dakota East & Adaptive Equipment			297	314	39	650

Division Name - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

	$1,403,807	**$1,466,773**	**$ 178,114**	**$ 3,048,694**

Description	General Fund	Funds	Funds	Total
Provider Assessment	1,356,336	1,417,172	172,091	2,945,599
Advertising	7,598	7,938	964	16,500
Pest Elimination	3,453	3,608	438	7,499
Other Miscellaneous	3,987	4,165	506	8,658
Licenses and Taxes	7,828	8,179	993	17,000
Years of Service Awards	11,972	12,509	1,519	26,000
Background Checks	12,633	13,202	1,603	27,438

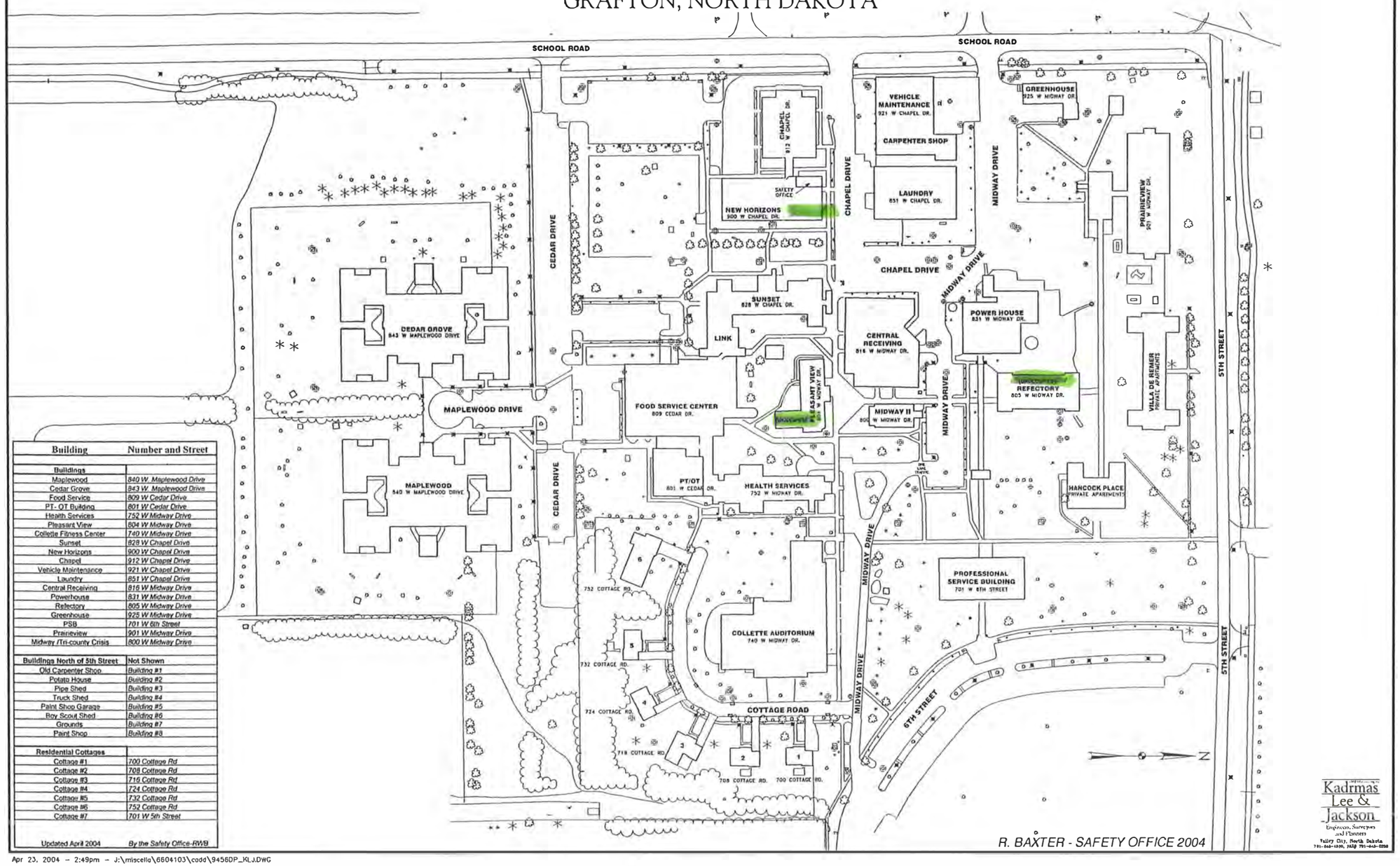
ND Developmental Center - 2013-15 Biennium Budget

Budget Account Code 623000 - Professional Fees and Services

	$ 64,918	**$ 67,830**	**$ 8,236**	**$ 140,984**

Description	Fund	Funds	Other Funds	Total
Unity Medical Center - Respiratory Therapy	30,759	32,082	3,903	66,744
Catholic Clergy/Support Services	2,072	2,185	263	4,520
Protestant Clergy/Support Services	2,961	3,122	375	6,458
Music Therapy in Motion, LLC - Music Therapy	5,543	5,844	703	12,090
Altru Health System Practitioner Supervision & Physician On-Call	23,583	24,597	2,992	51,172

ND DEVELOPMENTAL CENTER
GRAFTON, NORTH DAKOTA



Building	Number and Street
Buildings	
Maplewood	*840 W. Maplewood Drive*
Cedar Grove	*843 W. Maplewood Drive*
Food Service	*809 W Cedar Drive*
PT - OT Building	*801 W Cedar Drive*
Health Services	*752 W Midway Drive*
Pleasant View	*804 W Midway Drive*
Collette Fitness Center	*740 W Midway Drive*
Sunset	*828 W Chapel Drive*
New Horizons	*900 W Chapel Drive*
Chapel	*912 W Chapel Drive*
Vehicle Maintenance	*921 W Chapel Drive*
Laundry	*851 W Chapel Drive*
Central Receiving	*816 W Midway Drive*
Powerhouse	*831 W Midway Drive*
Refectory	*805 W Midway Drive*
Greenhouse	*925 W Midway Drive*
PSB	*701 W 6th Street*
Prairieview	*901 W Midway Drive*
Midway /Tri-county Crisis	*800 W Midway Drive*
Buildings North of 5th Street	**Not Shown**
Old Carpenter Shop	*Building #1*
Potato House	*Building #2*
Pipe Shed	*Building #3*
Truck Shed	*Building #4*
Paint Shop Garage	*Building #5*
Boy Scout Shed	*Building #6*
Grounds	*Building #7*
Paint Shop	*Building #8*
Residential Cottages	
Cottage #1	*700 Cottage Rd*
Cottage #2	*708 Cottage Rd*
Cottage #3	*716 Cottage Rd*
Cottage #4	*724 Cottage Rd*
Cottage #5	*732 Cottage Rd*
Cottage #6	*752 Cottage Rd*
Cottage #7	*701 W 5th Street*
Updated April 2004	*By the Safety Office-RWB*

R. BAXTER - SAFETY OFFICE 2004

Kadrmas Lee & Jackson
Engineers, Surveyors and Planners
Valley City, North Dakota
701-845-1890, FAX 701-845-0250

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CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Resurface streets and parking lots	Streets and parking lots need to be resurfaced - include amounts for maintenance in future years.		$ 801,757	$ 100,000
Card Access System	Increased security for facility		$ 613,825	
Chip Seal Parking Lot and Street	Maintenance for asphalt installed in 2010	$ 6,000		
Replace most of the Lahaug sanitary sewer system	Sewer pipes imbedded in the Lahaug building walls are cracking/rotting, creating sewer smells. Engineer will be needed to design relacement piping. Replacement will require opening walls.	$ 100,000	$ 100,000	$ 100,000
Siding and windows for 2 houses	60 year old houses on the State Hospital campus		$ 27,000	
Overhaul Chillers (must be done every 5 years) one each biennium	May skip 2015-17 biennium	$ 30,000		$ 30,000
Rewiring and Replumbing TL Houses	Rewiring of 5 houses to replace system over 60 years old. This will require opening many walls to reach the wiring and plumbing.		$ 50,000	$ 50,000
Topographical survey of water mains and sewers	Topographical survey of all underground water mains, storm/sanitary sewer systems, steam lines and natural gas piping. Current plans are over 30 years old.		$ 150,000	
Asbestos and Lead Based Paint Abatement throughout the campus, plus Surveys of Areas Not Yet Surveyed	Asbestos will be abated in areas where remodeling or construction occurs	$ 46,454	$ 75,000	$ 75,000
Asbestos Abatement 16 West and LRC	Remove asbestos contaminated dirt in basements and replace soil		$ 200,000	
Roof repairs - Maintenance schedule for all buildings, including the Superintendent's House	Maintain all roofs in good condition, will set up schedule of roof repairs and maintenance	$ 45,000	$ 100,000	$ 100,000

CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Repair Heating Plant Roof	Leaking badly and has been patched several times		$ 206,600	
Replace Vehicle Garage Roof	Roof is leaking and needs to be replaced		$ 135,450	
Replace Flooring As Needed Each Biennium	Replacement flooring throughout the facility	$ 100,000	$ 100,000	$ 100,000
Repair sidewalks throughout the campus	Maintenance schedule	$ 25,000	$ 25,000	$ 25,000
Water Main Improvements	Old system needs gradual upgrade	$ 40,000	$ 40,000	$ 40,000
Install Electric Heat Tape in Roof Drain Nozzles	This will eliminate ice build up in down spouts		$ 100,000	
Sewer improvements by Chapel, Laundry etc.	Replace manholes and slip line sewers		$ 200,000	
Repairing two manholes per biennium	Old system needs gradual upgrade	$ 5,000	$ 5,000	$ 5,000
Replace Worn Steam Traps Each Biennium	Regular maintenance schedule	$ 75,000	$ 75,000	$ 75,000
New Security Lights	Replace current lights with LED lights	$ 50,000	$ 50,000	$ 50,000
Tuckpoint the old Administration Building	Tuckpoint the top few feet of the outside walls	$ 30,000		
Tuckpoint GM Building	Tuckpoint the top few feet of the outside walls	$ 40,000		
Replace GM Front Entrance Door	Glass door is worn and the opening needs to accommodate food carts	$ 9,000		
Central Receiving Loading Dock and Wall	Cement is broken, causing unsafe condition		$ 91,000	
Paint Ash Tower - Heating Plant	Rusting and needs to be repainted		$ 30,000	
Steel Sheeting for Grounds Shop and Single Stall Garage Door	Needed to maintain usable storage building		$ 9,300	
Replace siding on implement shed	Storage building houses heavy equipment. Needed to maintain building		$ 100,000	
New HVAC System for GM Building	Will install more efficent and better operating system		$ 2,000,000	
Electrical Work in Conjunction With New HVAC System in GM	Electrical upgrades and other work required to install new HVAC system		$ 250,000	
DDC Control Improvements in Lahaug, GM and New Horizons	Upgrades needed to maintain system		$ 100,000	

CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Replace Evaporator Panels in Both Cooling Towers	Evaporator panels worn and in need of replacement	$ 12,000		
HVAC and Ductwork Cleaning in Several Buildings	Maintain cleanliness of system and improve air flow		$ 400,000	
Maintenance of Sewage Pumps in Gm and Lahaug Buildings	Routine maintenance	$ 5,000		
Remove underground fuel oil tank no longer in service for Heating Plant	10,000 gallon fuel oil tank was connected to removed emergency generator		$ 25,000	
New HVAC System for New Horizons Basement	Larger system needed for wood shop and recycling areas		$ 165,000	
New Horizons Elevator Upgrade	Original elevator needs to be upgraded		$ 95,000	
Paint Booth for GM Building	Enable painting of furniture produced in patient work program		$ 150,000	
Added Electrical Outlets for GM Bedrooms	Residents have more electronic devices now that the building is a residential facility and not a short term hospital		$ 95,000	
Lahaug Electrical Upgrade	Electrical service needs to be expanded and upgraded to meet current needs		$ 750,000	
Upgrade Lahaug HVAC System	System needs to be expanded and upgraded to provide more efficient cooling		$ 500,000	
New HVAC System for the Tompkins Building	System needs to be replaced to provide more efficient cooling		$ 750,000	
Upgrade Electrical Service to Tompkins Building	Residential use places more demands on system than when the building was built to house short term nursing students	$ 150,000		
#1 and #3 Boiler Auto Flame Installation	Replacement of outdated equipment		$ 125,000	
#1 Boiler Automatic Feed Water Regulating Valve and Control	Replacement of outdated equipment	$ 17,000		
Rewiring and Service Upgrade of Superintendent's House	Old system needs replacement to continue to use building for special events		$ 25,000	

CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Replumbing Superintendent's House	Old system needs replacement to continue to use building for special events		$ 40,000	
Carpentry Repairs in Superintendent's House	Need to repair walls and ceilings during electrical and plumbing work		$ 35,000	
Replace Solid State Starters with Soft Starters for LRC Elevator	Upgrade elevator electrical controls		$ 10,000	
Repair Storm Drain Inlets Throughout Campus	Maintenance of system	$ 20,000		
Condensate Pumps in Several Buildings	Maintenance of system	$ 30,000		
Replace Water Shutoff Valves in Several Buildings	Some old valves do not adequately shut off water		$ 75,000	
Water Tempering Control Valves for Lahaug Shower Rooms	Needed to control the shower temperatures for patient bathrooms	$ 75,000		
TOTALS--->		**$ 910,454**	**$ 8,874,932**	**$ 750,000**
EQUIPMENT OVER $5,000				
Copier/Scanner/Fax for Administration	Replace old machine	$ 12,000		
Copier/Scanner/Fax for HIS	Replace old machine	$ 12,000		
Copier for Treatment Mall	Replace old machine	$ 7,500		
Data Imaging System	Replace old machine	$ 15,000		
2 Full Body Lifts	Needed to safely move obese patients	$ 10,400		
2 Walk In Whirlpools	Replace old and worn whirlpools	$ 26,000		
72 inch Snow Blower	To replace smaller snow blower	$ 7,150		
Leaf Vacuum System	Replace 10 year old vacuum	$ 7,700		
Boss Blade	Replace 10 year old blade	$ 7,810		
Loader	Replace old equipment		$ 153,100	
2 Yard Quick Coupler MP Bucket	Needed for current loader and will be compatible with new loader	$ 13,100		
3 Air Compressors	Replace worn equipment	$ 15,000		
Condensate Pump for Tompkins Building	Replace worn equipment	$ 12,000		
PA system in Lahaug Building	Upgrade system for new technology	$ 30,000		

CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Mega Meter	Needed for electrical testing	$ 6,500		
Ground Meter	Needed for electrical testing	$ 5,500		
Battery Operated Carpet Cleaner	Needed for areas with no electrical service	$ 10,000		
Security Cameras for Tompkins Building	Added security needed for patient population	$ 26,874		
Security Cameras for TASC - New Horizons Building	Added security needed for patient population	$ 21,704		
Out Door PTZ Camera	Added security needed for patient population	$ 5,175		
TOTAL EQUIPMENT OVER $5,000--->		**$ 251,413**	**$ 153,100**	**$ -**
TOTAL CAPITAL IMPROVEMENTS REQUEST		**$ 1,161,867**	**$ 9,028,032**	**$ 750,000**

HB 1012
1/24/2013
ATTACHMENT #1 (1)

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-52 DEVELOPMENTAL DISABILITIES DIVISION									
S101		FULL-TIME EQUIVALENTS (FTEs)		10.000	10.000	0.000	0.000	0.000	10.000
32510	B	511000 Salaries - Permanent		907,695	996,224	473,999	136,570	0	1,132,794
32510	B	513000 Temporary Salaries		17,780	11,933	8,950	(11,933)	0	0
32510	B	516000 Fringe Benefits		319,644	376,179	164,870	28,889	0	405,068
32510	B	599161 Health Increase		0	0	0	0	20,534	20,534
32510	B	599162 Retirement Increase		0	0	0	0	11,558	11,558
			Subtotal:	1,245,119	1,384,336	647,819	153,526	32,092	1,569,954
32510	F	F_1991 Salary - General Fund		584,675	465,387	297,956	261,713	15,173	742,273
32510	F	F_1992 Salary - Federal Funds		660,444	825,428	336,932	(14,666)	16,919	827,681
32510	F	F_1993 Salary - Other Funds		0	93,521	12,931	(93,521)	0	0
			Subtotal:	1,245,119	1,384,336	647,819	153,526	32,092	1,569,954
32530	B	521000 Travel		173,536	414,274	99,746	(41,714)	0	372,560
32530	B	531000 Supplies - IT Software		1,296	1,250	523	(618)	0	632
32530	B	532000 Supply/Material-Professional		40,889	57,500	43,265	(13,000)	0	44,500
32530	B	536000 Office Supplies		42,190	11,200	4,187	4,090	0	15,290
32530	B	542000 Printing		22,307	35,300	2,081	(20,176)	0	15,124
32530	B	551000 IT Equip under $5,000		15,818	75	45	(75)	0	0
32530	B	552000 Other Equip under $5,000		5,244	150,000	60	(150,000)	0	0
32530	B	553000 Office Equip & Furniture-Under		1,177	3,705	2,952	(2,205)	0	1,500
32530	B	582000 Rentals/Leases - Bldg/Land		61,116	62,847	30,887	3,058	0	65,905
32530	B	591000 Repairs		38,160	55,000	18,600	(3,000)	0	52,000
32530	B	602000 IT-Communications		2,881	9,100	1,244	(7,196)	0	1,904
32530	B	611000 Professional Development		43,371	85,292	14,769	3,000	0	88,292
32530	B	621000 Operating Fees and Services		5,706,028	8,261,962	3,505,137	259,867	0	8,521,829
			Subtotal:	6,154,013	9,147,505	3,723,496	32,031	0	9,179,536
32530	F	F_3991 Operating - General Fund		2,433,370	3,508,295	1,538,149	567,507	0	4,075,802
32530	F	F_3992 Operating - Federal Funds		3,720,643	5,582,728	2,167,835	(478,994)	0	5,103,734
32530	F	F_3993 Operating - Other Funds		0	56,482	17,512	(56,482)	0	0

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-52 DEVELOPMENTAL DISABILITIES DIVISION									
			Subtotal:	6,154,013	9,147,505	3,723,496	32,031	0	9,179,536
32550	B	691000	Equipment Over $5000	166,860	0	0	0	0	0
			Subtotal:	166,860	0	0	0	0	0
32550	F	F_5992	Land & Cptl Imprv - Fed Funds	166,860	0	0	0	0	0
			Subtotal:	166,860	0	0	0	0	0
32560	B	712000	Grants, Benefits & Claims	357,063	438,207	222,300	(195,880)	0	242,327
			Subtotal:	357,063	438,207	222,300	(195,880)	0	242,327
32560	F	F_6991	Grants - General Fund	83,983	84,413	44,054	223	0	84,636
32560	F	F_6992	Grants - Federal Funds	273,080	353,794	178,246	(196,103)	0	157,691
			Subtotal:	357,063	438,207	222,300	(195,880)	0	242,327
			Subdivision Budget Total:	7,923,055	10,970,048	4,593,615	(10,323)	32,092	10,991,817
300-52 DEVELOPMENTAL DISABILITIES DIVISION			**General Funds:**	3,102,028	4,058,095	1,880,159	829,443	15,173	4,902,711
			Federal Funds:	4,821,027	6,761,950	2,683,013	(689,763)	16,919	6,089,106
			Other Funds:	0	150,003	30,443	(150,003)	0	0
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	7,923,055	10,970,048	4,593,615	(10,323)	32,092	10,991,817

Developmental Disabilities - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Prairie Hills Plaza office space	1,860.58	15.74	27,692	30,879	-	58,571
Miscellaneous rent (booth & room rentals)			1,104	6,230		7,334
			$ 28,796	**$ 37,109**	**$ -**	**$ 65,905**

Developmental Disabilities - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

Description	General Fund	Federal Funds	Other	Total
Payment system contracts	839,220	935,780	-	1,775,000
Minot State Univ. Austism contract	104,621	116,659	-	221,280
Acumen self-directed services contract	369,513	412,029	-	781,542
Advertising of public notices	1,182	7,318		8,500
Section 11 contracts	297,358	-	-	297,358
Part C technical assistance and training contracts	-	1,250,000	-	1,250,000
Part C Right Track contracts	-	1,800,000	-	1,800,000
Freight and shipping	42	4,046	-	4,088
Corporate Guardianship contract	2,382,906	-	-	2,382,906
Miscellaneous operating fees and services	546	609	-	1,155
	$ 3,995,388	**$ 4,526,441**	**$ -**	**$ 8,521,829**

Developmental Disabilities - 2013-15 Biennium Budget

Budget Account Code 712000 - Grants, Benefits & Claims

Description	General Fund	Federal Funds	Other Funds	Total
Minot State University training modules contract	84,636	84,131	-	168,767
Protection & Advocacy follow up investigations	-	73,560	-	73,560
	-	-	-	-
	$ 84,636	**$ 157,691**	**$ -**	**$ 242,327**

HB 1012
1/25/2013
Attachment #1

ND Developmental Center
Proposed Capital Projects
2013-2015

Per OMB $393,025 for Bldgs and $208,470 for Infrastructure for a total of $601,495

PROJECT	2013-2015
Repair Air Handlers - Dietary	12,000
Repair Air Handlers - Collette	10,000
Repair Air Handlers - PT/OT	10,000
Prairieview roof (above-ground tunnel portion and office area)	25,000
Cottage Repairs	13,200
Asbestos Abatement campus-wide	51,095
Repair Cedar Grove & Maplewood Skylights	20,000
Repair Pools, PT & Collette	67,732
Replace or repair doors --- campus-wide	10,000
Retubing the Chill Water System	40,000
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 term	50,000
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.	25,000
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.	50,000
Concrete Repairs: 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.	25,000
Preventive maintenance and repairs on parking lots.	15,000
There are many areas of campus that need flooring replacement. Carpeting and linoleum and tile.	100,468
Repair cracks and eliminate water leaks in tunnels	25,000
Replacement of work out traps, pumps and other heating system components 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.	15,000
Paint requests across campus	12,000
Sprinkler system MW, CG, PTOT, HSC	25,000
Demolish Pleasant View and Refectory	360,000
TOTAL--->	**961,495**
OTHER CAPITAL PAYMENTS	
Epilog Laser Engraver	27,500
Dryers (Commercial)	15,500
Dishwasher	89,000
Combi-Oven	20,000
EQUIPMENT OVER $5,000 - TOTAL--->	152,000
	$ 1,113,495

HB 1012
1/25/2013
Attachment #2

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2013-2015 Budget to House

DD Community Based Care	Budget	% of Budget
Selected Services		
ISLA	103,362,026	20.57%
ICF/ID Adult	83,710,489	16.66%
Day Supports	77,675,606	15.46%
ICF/ID Physically Handicapped	41,368,443	8.23%
ICF/ID Children	40,880,800	8.14%
Minimally Supervised Living Arrangement	37,131,902	7.39%
Family Support Services - In Home Support	28,643,624	5.70%
Transitional Community Living - Training	23,145,119	4.61%
Infant Development	14,190,869	2.82%
DD Funding Buckets *	9,066,764	1.80%
Autism Spectrum Disorder	2,011,178	0.40%
Total of Selected Services	**461,186,820**	**91.79%**
Remaining Services	**41,233,941**	**8.21%**
Total 2013-2015 Budget	**502,420,761**	**100.00%**

* Enhanced funding for various critical needs provided to children and adults with disabilities.

Explanation of Delayed Provider Billing Adjustments reflected on following pages:

When two billings are processed in the same month for the same person, the system does not count the person twice. Therefore, the persons receiving are understated; actual units of service are accurate.

Remaining services include: Adult Education Transition Services, Congregate Care, Extended Services, Family Subsidy, Family Support Services - Family Care Option I, Family Support Services - Family Care Option III, Specialized Placement, Supported Living Arrangement, Title XIX County Waivered Services, Self-Directed Services, Extended Home Health Care, and Parenting Supports.

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

ISLA (Individualized Supported Living Arrangement)

Residential service provided to people with developmental disabilities and/or intellectual disability 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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	764	$ 4,491.10	23,654	$ 145.06	$ 3,431,199
September-11	776	$ 4,588.27	23,828	$ 149.43	$ 3,560,501
October-11	779	$ 4,525.98	23,832	$ 147.94	$ 3,525,735
November-11	779	$ 4,631.62	24,459	$ 147.51	$ 3,608,033
December-11	787	$ 4,496.83	23,864	$ 148.30	$ 3,539,007
January-12	790	$ 4,680.44	24,606	$ 150.27	$ 3,697,549
February-12	794	$ 4,659.22	24,643	$ 150.12	$ 3,699,424
March-12	795	$ 4,407.82	23,309	$ 150.34	$ 3,504,217
April-12	788	$ 4,672.93	24,272	$ 151.71	$ 3,682,268
May-12	790	$ 4,580.32	23,832	$ 151.83	$ 3,618,451
June-12	794	$ 4,813.21	24,917	$ 153.38	$ 3,821,690
July-12	794	$ 4,579.06	23,938	$ 151.88	$ 3,635,777
August-12	806	$ 4,960.76	25,181	$ 158.79	$ 3,998,374
September-12	810	$ 4,856.52	25,040	$ 157.10	$ 3,933,785
October-12	805	$ 4,690.78	23,957	$ 157.62	$ 3,776,077
November-12	805	$ 4,883.41	25,037	$ 157.01	$ 3,931,145
Monthly Averages	791	$ 4,657.39	24,273	$ 151.77	$ 3,685,202

Avg., Aug '11 - April '12	784	$ 148.97
Growth May 2012 - July 2013:		
• high school graduates	22	
• Transition from DC	1	
3% Inflation 7/1/12		$ 4.47
13-15 Avg. Caseload Growth:		
• high school graduates (22 on 7/1/2013 & 30 on 7/1/2014	31	
• DC/SH Transitions (5 throughout 13/15)	2	
$0.50 wage increase		$ 4.98
4%/4$ inflation for 13-15		$ 9.64
Monthly Average	840	$ 168.06

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

ICF/ID (Intermediate Care Facility for the Intellectually Disabled) Adult

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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	237	$ 11,231	7,597	$ 350.36	$ 2,661,696
September-11	239	$ 11,009	7,468	$ 352.34	$ 2,631,243
October-11	241	$ 10,328	7,360	$ 338.17	$ 2,488,951
November-11	239	$ 12,141	7,459	$ 389.01	$ 2,901,635
December-11	244	$ 11,666	7,486	$ 380.24	$ 2,846,506
January-12	206	$ 12,153	6,368	$ 393.15	$ 2,503,574
February-12	241	$ 13,611	8,593	$ 381.73	$ 3,280,214
March-12	239	$ 11,038	6,962	$ 378.93	$ 2,638,081
April-12	153	$ 15,651	4,876	$ 491.09	$ 2,394,534
May-12	240	$ 13,942	9,918	$ 337.37	$ 3,346,061
June-12	239	$ 7,919	7,360	$ 257.16	$ 1,892,694
July-12	233	$ 9,727	7,186	$ 315.37	$ 2,266,275
August-12	221	$ 10,255	7,015	$ 323.07	$ 2,266,346
September-12	218	$ 11,321	6,757	$ 365.25	$ 2,468,009
October-12	215	$ 7,540	6,508	$ 249.08	$ 1,621,039
November-12	215	$ 8,917	6,681	$ 286.97	$ 1,917,249
Monthly Averages	226	$ 11,153	7,225	$ 349.33	$ 2,507,757
Avg., Aug '11 - April '12	227			$ 379.41	
Adjustment for delayed provider billings	13				
Adjustment for open bed	1				
Growth May 2012 - July 2013:					
RRHSF Transitions from DC	5				
13-15 Avg. Caseload Growth:					
Transitions from SH/DC (5 throughout 13/15)	2				
Adjustment for rate changes (several new ICF/ID buildings, causing rates to increase)				$ 32.44	
3% Inflation 7/1/12				$ 12.36	
$0.50 wage increase				$ 7.16	
4%/4$ inflation for 13-15				$ 26.23	
ICF/ID provider assessment increase				$ 2.37	
Monthly Average	248			$ 459.97	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Day Supports (DS)

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, recreation, and therapeutic activities to maintain physical, recreational, personal care, and community integration skills; development of nonjob 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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	1,072	$ 2,199.90	148,534	$ 15.88	$ 2,358,290
September-11	1,142	$ 2,606.94	170,721	$ 17.44	$ 2,977,125
October-11	1,150	$ 2,375.33	158,641	$ 17.22	$ 2,731,624
November-11	1,145	$ 2,389.23	159,275	$ 17.18	$ 2,735,674
December-11	1,144	$ 2,206.65	150,708	$ 16.75	$ 2,524,408
January-12	1,106	$ 2,471.63	148,758	$ 18.38	$ 2,733,627
February-12	1,158	$ 2,537.11	166,373	$ 17.66	$ 2,937,972
March-12	1,153	$ 2,297.25	152,405	$ 17.38	$ 2,648,732
April-12	1,089	$ 2,493.53	158,902	$ 17.09	$ 2,715,456
May-12	1,145	$ 1,753.95	156,515	$ 12.83	$ 2,008,270
June-12	1,175	$ 2,126.05	168,202	$ 14.85	$ 2,498,104
July-12	1,178	$ 2,058.84	163,796	$ 14.81	$ 2,425,311
August-12	1,171	$ 2,178.46	155,876	$ 16.37	$ 2,550,977
September-12	1,208	$ 2,831.92	185,532	$ 18.44	$ 3,420,961
October-12	1,143	$ 2,270.47	145,302	$ 17.86	$ 2,595,145
November-12	1,208	$ 2,661.36	180,901	$ 17.77	$ 3,214,920
Monthly Averages	1,149	$ 2,341.16	160,653	$ 16.74	$ 2,692,287
Avg., Aug '11 - April '12	1,129			$ 17.23	
Growth May 2012 - July 2013:					
• high school graduates	22				
• new provider programs	7				
3% inflation 7/1/12				$ 0.52	
13-15 Avg. Caseload Growth:					
• high school graduates (22 on 7/1/13 & 30 on 7/1/14)	37				
• DC/SH Transitions (5 throughout 13/15)	2				
$0.50 wage increase				$ 0.57	
4%/4$ inflation for 13-15				$ 1.11	
Monthly Average	1,197			$ 19.43	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

ICF/ID (Intermediate Care Facility for the Intellectually Disabled) Children

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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	86	$ 16,381.71	2,739	$ 514.36	$ 1,408,827
September-11	85	$ 17,097.61	2,755	$ 527.51	$ 1,453,297
October-11	91	$ 15,565.99	2,723	$ 520.20	$ 1,416,505
November-11	90	$ 16,066.28	2,821	$ 512.57	$ 1,445,965
December-11	91	$ 14,783.56	2,668	$ 504.24	$ 1,345,304
January-12	89	$ 15,767.63	2,816	$ 498.34	$ 1,403,319
February-12	91	$ 16,036.21	2,867	$ 509.00	$ 1,459,295
March-12	89	$ 17,832.99	2,529	$ 627.57	$ 1,587,136
April-12	33	$ 15,523.97	1,022	$ 501.26	$ 512,291
May-12	92	$ 29,300.28	4,661	$ 578.34	$ 2,695,626
June-12	87	$ 18,012.80	2,809	$ 557.89	$ 1,567,114
July-12	89	$ 16,788.66	2,690	$ 555.46	$ 1,494,191
August-12	85	$ 17,327.89	2,647	$ 556.43	$ 1,472,871
September-12	89	$ 18,252.63	2,902	$ 559.78	$ 1,624,484
October-12	87	$ 16,866.05	2,671	$ 549.36	$ 1,467,346
November-12	92	$ 19,117.79	3,167	$ 555.36	$ 1,758,837
Monthly Averages	85	$ 17,545.13	2,780	$ 539.23	$ 1,507,026
Avg., Aug '11 - April '12	83			$ 523.89	
Adjustment for delayed provider billings	6				
Adjustment for difference in SCHIP and Regular FMAP rates				$ (1.31)	
3% Inflation 7/1/12				$ 15.68	
13-15 Avg. Caseload Growth:					
New Children's ICF/ID (4 beds filled on 10/1/13; 2 on 1/1/14; 2 on 4/1/14)	7				
$0.50 wage increase				$ 11.99	
4%/4$ inflation for 13-15				$ 33.46	
ICF/ID provider assessment increase				$ 2.37	
Monthly Average	96			$ 586.08	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

ICF/ID (Intermediate Care Facility for the Intellectually Disabled)Physically Handicapped

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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	119	$ 12,036.24	3,698	$ 387.32	$ 1,432,313
September-11	119	$ 12,839.99	3,835	$ 398.42	$ 1,527,959
October-11	121	$ 12,251.61	3,754	$ 394.90	$ 1,482,445
November-11	120	$ 12,331.43	3,630	$ 407.65	$ 1,479,771
December-11	121	$ 12,402.11	3,731	$ 402.21	$ 1,500,655
January-12	115	$ 12,223.40	3,518	$ 399.57	$ 1,405,691
February-12	113	$ 12,822.33	3,460	$ 418.76	$ 1,448,923
March-12	116	$ 12,043.51	3,479	$ 401.57	$ 1,397,047
April-12	59	$ 12,719.42	1,829	$ 410.30	$ 750,446
May-12	116	$ 19,331.29	5,785	$ 387.63	$ 2,242,430
June-12	119	$ 13,697.54	4,025	$ 404.97	$ 1,630,007
July-12	120	$ 12,312.68	3,706	$ 398.68	$ 1,477,522
August-12	122	$ 13,092.96	3,822	$ 417.93	$ 1,597,341
September-12	120	$ 13,286.43	3,843	$ 414.88	$ 1,594,372
October-12	122	$ 12,892.81	3,763	$ 418.00	$ 1,572,923
November-12	120	$ 13,114.99	3,734	$ 421.48	$ 1,573,799
Monthly Averages	115	$ 13,087.42	3,726	$ 405.27	$ 1,507,103
Avg., Aug '11 - April '12	111			$ 401.68	
Adjustment for delayed provider billings	7				
Growth May 2012 - July 2013:					
• HIT two new clients from DC	2				
Adjustment for rate changes (two new ICF/ID buildings, causing rates to increase)				$ 20.86	
3% Inflation 7/1/12				$ 12.68	
$0.50 wage increase				$ 7.89	
4%/4$ inflation for 13-15				$ 26.94	
ICF/ID provider assessment increase				$ 2.37	
Monthly Average	120			$ 472.42	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Minimally Supervised Living Arrangement (MSLA)

A community waiver group home or community complex setting, which provides training in community integration, social, leisure, and daily living skills.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	214	$ 5,832.08	6,601	$ 189.07	$ 1,248,065
September-11	215	$ 6,273.77	6,739	$ 200.16	$ 1,348,860
October-11	223	$ 6,314.14	7,262	$ 193.89	$ 1,408,053
November-11	223	$ 6,237.54	6,887	$ 201.97	$ 1,390,971
December-11	223	$ 5,894.25	6,645	$ 197.81	$ 1,314,417
January-12	224	$ 6,367.26	7,147	$ 199.56	$ 1,426,266
February-12	228	$ 6,045.74	7,067	$ 195.05	$ 1,378,428
March-12	227	$ 5,670.90	6,574	$ 195.82	$ 1,287,295
April-12	225	$ 6,094.50	6,998	$ 195.95	$ 1,371,263
May-12	226	$ 5,871.35	6,791	$ 195.39	$ 1,326,925
June-12	228	$ 6,021.10	7,040	$ 195.00	$ 1,372,811
July-12	225	$ 5,887.81	6,811	$ 194.50	$ 1,324,758
August-12	229	$ 6,433.38	7,274	$ 202.54	$ 1,473,243
September-12	232	$ 6,249.51	7,129	$ 203.38	$ 1,449,886
October-12	230	$ 6,144.53	6,937	$ 203.73	$ 1,413,243
November-12	234	$ 6,277.94	7,233	$ 203.10	$ 1,469,037
Monthly Averages	225	$ 6,100.99	6,946	$ 197.93	$ 1,375,220
Avg., Aug '11 - April '12	222			$ 196.60	
Adjustment for delayed provider billings	3				
Adjustment for difference in MFP rates and Regular rates				$ (0.43)	
3% Inflation 7/1/12				$ 5.89	
13-15 Avg. Caseload Growth: • high school graduates on 7/1/13	6				
$0.50 wage increase				$ 5.53	
4%/4$ inflation for 13-15				$ 12.62	
Monthly Average	231			$ 220.21	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Transitional Community Living Facility (TCLF)

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.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	154	$ 5,585.80	4,774	$ 180.19	$ 860,213
September-11	155	$ 5,613.74	4,832	$ 180.08	$ 870,129
October-11	158	$ 5,397.07	4,762	$ 179.07	$ 852,737
November-11	156	$ 5,550.72	4,838	$ 178.98	$ 865,912
December-11	156	$ 5,365.43	4,678	$ 178.92	$ 837,007
January-12	153	$ 5,550.90	4,735	$ 179.36	$ 849,288
February-12	155	$ 5,796.03	4,842	$ 185.54	$ 898,385
March-12	155	$ 5,243.81	4,529	$ 179.46	$ 812,791
April-12	155	$ 5,646.83	4,836	$ 180.99	$ 875,258
May-12	156	$ 5,451.21	4,673	$ 181.98	$ 850,389
June-12	155	$ 5,575.34	4,761	$ 181.51	$ 864,178
July-12	155	$ 5,496.69	4,633	$ 183.90	$ 851,987
August-12	156	$ 5,647.87	4,801	$ 183.52	$ 881,068
September-12	156	$ 5,596.35	4,794	$ 182.11	$ 873,031
October-12	154	$ 5,415.44	4,596	$ 181.46	$ 833,978
November-12	152	$ 5,617.68	4,702	$ 181.60	$ 853,888
Monthly Averages	155	$ 5,534.43	4,737	$ 181.17	$ 858,140

Avg., Aug '11 - April '12	155	$ 180.32
Growth May 2012 - July 2013:		
• client increase by two	2	
3% Inflation 7/1/12		$ 5.39
$0.50 wage increase		$ 4.65
4%/4$ inflation for 13-15		$ 11.57
Monthly Average	157	$ 201.93

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Infant Development (ID)

A home-based , family focused service that provides information, support and training for families to assist them in meeting their eligible child's needs. A child may receive Infant Development until he or she is three years of age. Services included in Infant Development are Individualized Family Support Plan (IFSP), Evaluation, Consult, and Home Visits.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	883	$ 578.53	3,138	$ 162.79	$ 510,842
September-11	867	$ 657.40	3,378	$ 168.73	$ 569,964
October-11	921	$ 657.81	3,551	$ 170.61	$ 605,846
November-11	910	$ 621.57	3,264	$ 173.29	$ 565,630
December-11	930	$ 624.32	3,405	$ 170.52	$ 580,614
January-12	911	$ 548.57	2,918	$ 171.26	$ 499,750
February-12	1,014	$ 706.82	3,940	$ 181.91	$ 716,715
March-12	918	$ 627.43	3,283	$ 175.44	$ 575,981
April-12	866	$ 623.37	3,121	$ 172.97	$ 539,836
May-12	975	$ 697.06	3,783	$ 179.65	$ 679,631
June-12	945	$ 632.88	3,510	$ 170.39	$ 598,067
July-12	879	$ 566.85	2,894	$ 172.17	$ 498,264
August-12	837	$ 580.45	2,835	$ 171.37	$ 485,833
September-12	945	$ 676.26	3,509	$ 182.12	$ 639,068
October-12	904	$ 592.88	2,976	$ 180.10	$ 535,966
November-12	831	$ 658.65	3,083	$ 177.53	$ 547,335
Monthly Averages	909	$ 628.18	3,287	$ 173.80	$ 571,834
Avg., Aug '11 - April '12	913			$ 172.19	
Adjustment for rate changes (based on fee-for-service rates and expected utilization)				$ (19.42)	
Growth May 2012 - July 2013 (approx. 3 per month):	44				
3% Inflation 7/1/12				$ 5.17	
13-15 Average Caseload Growth - 5 per month	63				
4%/4$ inflation for 13-15				$ 9.61	
Monthly Average	1,020			$ 167.55	

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Family Support Services - In-Home Support (FSS-IHS)

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 person care needs of their family member. Personal care needs include eating, bathing, dressing, personal hygiene and activities of daily living.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	601	$ 1,788.98	36,365	$ 29.57	$ 1,075,178
September-11	554	$ 1,820.65	34,046	$ 29.63	$ 1,008,639
October-11	569	$ 1,393.12	26,818	$ 29.56	$ 792,683
November-11	581	$ 1,702.33	33,343	$ 29.66	$ 989,053
December-11	619	$ 1,457.63	30,500	$ 29.58	$ 902,276
January-12	534	$ 1,466.78	26,421	$ 29.65	$ 783,259
February-12	630	$ 1,631.84	34,728	$ 29.60	$ 1,028,061
March-12	640	$ 1,430.12	30,888	$ 29.63	$ 915,277
April-12	539	$ 1,428.10	25,980	$ 29.63	$ 769,746
May-12	618	$ 1,681.49	34,985	$ 29.70	$ 1,039,161
June-12	624	$ 1,572.31	33,068	$ 29.67	$ 981,123
July-12	555	$ 1,721.57	32,222	$ 29.65	$ 955,471
August-12	632	$ 2,115.34	44,086	$ 30.32	$ 1,336,892
September-12	632	$ 1,777.16	36,849	$ 30.48	$ 1,123,166
October-12	618	$ 1,379.44	28,043	$ 30.40	$ 852,493
November-12	618	$ 1,571.68	31,840	$ 30.51	$ 971,300
Monthly Averages	598	$ 1,621.16	32,511	$ 29.83	$ 970,236

Avg., Aug '11 - April '12	585	$ 29.65
Growth May 2012 - July 2012:	45	
3% Inflation 7/1/12		$ 0.85
13-15 Avg. Caseload Growth (approx 3 per month)	44	
$0.50 wage increase		$ 1.11
4%/4$ inflation for 13-15		$ 1.92
Monthly Average	674	$ 33.53

North Dakota Dept of Human Services
Developmental Disabilities Community Based Care
Detail of Selected Services
2011-2013 Actual

Autism Spectrum Disorder (ASD) Waiver

The ASD waiver provides services birth through age four for individuals living with a primary caregiver. The goal of this waiver is to support the primary caregiver to maximizing the child's development and preventing out of home placement. Services include environmental modifications, equipment and supplies, in-home supports, and intervention coordination.

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	0	$ -	0	$ -	$ -
September-11	8	$ 2,860.63	134	$ 170.78	$ 22,885
October-11	10	$ 1,806.70	61	$ 296.18	$ 18,067
November-11	9	$ 1,097.67	49	$ 201.61	$ 9,879
December-11	11	$ 1,256.82	83	$ 166.57	$ 13,825
January-12	8	$ 1,345.25	45	$ 239.16	$ 10,762
February-12	8	$ 609.75	17	$ 286.94	$ 4,878
March-12	10	$ 898.80	41	$ 219.22	$ 8,988
April-12	12	$ 1,321.75	79	$ 200.77	$ 15,861
May-12	14	$ 1,393.29	98	$ 199.04	$ 19,506
June-12	12	$ 1,164.67	63	$ 221.84	$ 13,976
July-12	14	$ 768.29	55	$ 195.56	$ 10,756
August-12	16	$ 1,014.38	67	$ 242.24	$ 16,230
September-12	21	$ 938.52	91	$ 216.58	$ 19,709
October-12	18	$ 1,455.83	90	$ 291.17	$ 26,205
November-12	13	$ 820.46	52	$ 205.12	$ 10,666
Monthly Averages	12	$ 1,172.05	68	$ 209.55	$ 14,813
Avg., Aug '11 - April '12	8			$ 205.00	
Growth May 2012 - July 2013:	22				
Adjusted due to expected waiver changes				$2,410.22	
3% Inflation 7/1/12				$ 6.11	
$0.50 wage increase				$ 11.12	
4%/4$ inflation for 13-15				$ 160.06	
Monthly Average	30			$2,792.51	

HD 101C
1/25/2013
Attachment #3

DD Grants - Anticipated 2013/2015 Caseload Growth

DD Program	13/15 Caseload Growth	Notes
Day Supports	57	NDSH/GDC transition & high school graduates entering the program - budgeted at 22 in Aug '13; 30 in Aug '14; and 5 transition clients from GDC/NDSH (Feb., Aug., Nov. 2014, Feb. & May 2014)
Extended Services	12	High school graduates entering the program - budgeted at 5 in Aug '13 and 7 in Aug '14.
Family Subsidy	2	New clients - budgeted 1 in Aug '13 and 1 in Aug '14
Family Support Services - In Home Support	72	New clients - budgeted at 36 clients in SFY 13/14 (3 per month) and 36 clients in SFY 14/15 (3 per month).
Family Support Services - Family Care Option	2	New clients - budgeted at 1 in Aug '13 and 1 in Aug '14.
Family Support Services - Family Care Option III	4	New clients - budgeted at 2 in Aug '13 and 2 in Aug '14.
ICF/ID - Adult	5	Transitions from GDC/NDSH - budgeted 5 (Nov. 2013; May & Nov. 2014, Feb. & May 2015)
ICF/ID - Children	8	Transitions from GDC/NDSH - budgeted 8 (4 in Oct. 2013; 2 in Jan. 2014, & 2 in Apr. 2014)
Infant Development	120	New clients - budgeted at 5 per month throughout the biennium.
ISLA	51	NDSH/GDC transitions and high school graduates entering the program - budgeted at 16 in Aug '13; 30 in Aug '14; and 5 transition clients from GDC/NDSH (Feb., Aug., Nov. 2014, Feb. & May 2014)
MSLA	6	High school graduates entering the program - budgeted 6 in Aug .'13
Self Direct Supports (SDS)	58	New clients - budgeted at 38 clients in SFY 13/14 (5 in Aug '13 and 3 per month after) and 20 clients in SFY 14/15 (5 in Aug '14, 3 in Nov '14 and Feb '15, 1 in every other month).
Extended Home Health Care (EHHC)	4	New clients - budgeted at 2 in Aug '13 and 2 in Aug '14.

HB 1012
1/28/2013 AM
Attachment #1

To: House Appropriations Committee – Human Resources Division
From: Alex C. Schweitzer, Field Services Director, DHS
Re: Fiscal Data on Psychological Evaluations for Sex Offenders
Date: January 27, 2013

The North Dakota State Hospital pays for two types of independent evaluations for sex offenders, as required by statute. A treatment hearing evaluation, where the court determines whether the offender meets the criteria for admission to the program at the State Hospital and an annual review evaluation for every offender committed to the program. It's important to note that some offenders will be determined not to meet criteria for admission after the treatment hearing.

11-13 Budget:	Spent to Date: 12/31/12	Pending Evaluations:	Projected Total for 11-13:	13-15 Budget:
$400,000	$290,000[1]	$110,000[2]	$400,000[3]	$500,000[4]

[1] Spent to date (12/31/12): 58 independent evaluations x $5,000 = $290,000
[2] Pending evaluations: 22 independent evaluations x $5,000 = $110,000
[3] Projected total for 11-13 biennium: $400,000
[4] Budget request for 13-15 biennium: 76 annual and 24 treatment hearing evaluations at $5,000 = $500,000

HB 1012
1/28/2013 AM
Attachment #2

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee-Human Resources Division, I am Laurie Gotvaslee, Director of the Northwest Human Service Center (NWHSC) and North Central Human Service Center (NCHSC) of the Department of Human Services (DHS). I am here today to provide an overview of the budget requests of both centers.

Northwest and north central North Dakota are continuing to experience an influx of population from every part of the United States. Both human service centers continue to see an increase of people seeking help with psychiatric medications, as many come to North Dakota without a prescription and no income or very limited income. We are also seeing an increase of clients who do not speak English, therefore increasing the need to utilize interpreters in order to meet their ongoing needs.

Housing continues to be an issue in the two regions, not only because of the oil influx, but because of the flood of 2011. Many clients cannot afford the high cost of rental properties. Even if they are able to obtain a housing voucher, apartments are not available. Some clients also continue to struggle with post-flood trauma as many lost everything and continue to be displaced. The housing shortage is also impacting the ability to hire and retain staff due to the difficulty obtaining affordable housing.

Northwest Human Service Center

NWHSC serves the three county areas of Divide, McKenzie, and Williams counties, with an estimated population of 33,518. Outreach offices are located in Watford City and Crosby. Case managers, clinicians, and program staff travel to deliver outreach services to each of the three counties.

Caseload/Customer Base

- 1,833 clients were served, excluding Vocational Rehabilitation (VR), at the NWHSC in State Fiscal Year (SFY) 2012.

- 220 individuals received VR services.

- In SFY 2012, approximately 21 percent of the clients served were children and 79 percent were adults.

Programs Trends/Major Program Changes

- The partnership NWHSC has with the North Dakota Association for the Disabled remains a critical resource. NWHSC has the ability to contract to develop residential options that provide safe supervised living situations for individuals in crisis or in treatment. The partnership has produced 20 beds for individuals with serious mental illness, and clients are served in crisis residential beds, long-term addiction treatment, and supportive housing. This allows clients to maintain stability and receive the full benefit of treatment. The availability of these beds allows for medication monitoring, maintenance of nutritional meals, and the ability for community-

based care, as opposed to hospitalization. It continues to be a cost-effective solution.

- NWHSC continues to have difficulty hiring staff when positions become vacant.

- NWHSC staff provides crisis counseling and intervention services to local communities and businesses, families, and individuals when a severe or tragic incident occurs.

- NWHSC is implementing the Integrated Dual Disorder Treatment (IDDT) Program, which is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) is operational in the NWHSC region. This program is designed to assist young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition. Many of the young people served would be homeless without the program and its services.

Overview of Budget Changes – Northwest Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
HSCs/Institutions	8,260,691	8,958,191	697,500
Total	8,260,691	8,958,191	697,500
General Fund	4,614,269	5,393,391	779,122
Federal Funds	3,177,416	2,966,763	(210,653)
Other Funds	469,006	598,037	129,031
Total	8,260,691	8,958,191	697,500

FTE	43.75	43.75	-

Budget Changes from Current Budget to Executive Budget:

The Salary and benefits portion of the budget increased by $164,305 and can be attributed to the following:

- An increase of $147,308 in total funds, of which $116,059 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- An increase of $274,455 in total funds, of which $199,323 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $83,425 decrease in temporary salary costs as a result of eliminating temporary salaries in support services, clinical services, and a decrease in the Supported Employment program.

- An increase of $106,535 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $101,389 to underfund the 2013-2015 pay plan, all general fund.

- The remaining decrease of $179,179 is a combination of increases and decreases to sustain the NWHSC's 43.75 FTEs.

The Operating portion of the budget increased by $466,679 and is a combination of the increases and decreases expected next biennium with a majority of the changes in travel and rent as follows:

- An increase of $40,424 in travel costs of which $27,056 is due to increased anticipated state fleet costs and higher per diem costs allowed in the 2011-2013 biennium, as approved by the last Legislative Assembly. The remaining increase of $13,368 is due to increased need largely in the area of outreach services.

- A $454,848 increase in the NWHSC's rental costs. This is due to the large increase in the value of rental space in the Williston area. The rent increased from $9 per square foot to approximately $15 per square foot.

The Grants portion of the budget increased a total of $66,516, mainly attributed to the following items:

- An increase of $80,335 that is all general fund to allow for a 4 percent inflationary increase for the contracted providers each year of the biennium.

- A decrease of $13,819, which is due to the decreased need for contracted psychiatric services.

NWHSC's general fund request increased $779,122. Of this amount, $315,382 is related to the continuing of the current salaries and benefits into the new biennium and $80,335 is related to the Governor's request for a 4 percent inflationary increase for contracted providers. The remaining amount is due to changes in funding to the NWHSC's various programs and the decreased federal medical assistance percentage (FMAP).

I would be happy to answer any questions about the NWHSC.

North Central Human Service Center

North Central Human Service Center (NCHSC) serves Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties, with an estimated population of 93,015. Outreach offices are located in Bottineau, Rugby, Stanley, and New Town. Case managers, clinicians, and program staff travel to deliver outreach services to clients in all seven counties.

Caseload/Customer Base

- 3,398 clients, excluding vocational rehabilitation (VR), were served at the NCHSC in State Fiscal Year 2012 (SFY).

- 896 individuals received vocational rehabilitation services.

- In SFY 2012, approximately 25 percent of the clients served were children and 75 percent were adults.

- The number of information and referral calls increased from 266 in 2011 to 409 in 2012.

Program Trends/Major Program Changes

- NCHSC was able to hire a psychiatrist who is providing psychiatric services to both NCHSC and NWHSC. This has alleviated the need for the contract with the Rural Mental Health Consortium.

- NCHSC received notification in 2012 that the lease for the Transitional Living (TL) home would not be renewed. The case managers took the necessary action to find housing for the affected clients. This modified the way client services are delivered when it comes to consumers with more intense needs. Clients now live in the community and are monitored by staff on a daily basis, sometimes more often depending on their needs. This allows consumers to maintain stability in their own homes with supports rather than residing in a TL arrangement. This is a cost effective solution.

- NCHSC staff provides crisis counseling and intervention services to local communities and businesses, families, and individuals when a severe or tragic incident occurs.

- Outreach outpatient therapy has been increased from two to three days per week in the Stanley Outreach Office because of the increased need in that community.

- NCHSC is in the initial stages of implementing the Integrated Dual Disorder Treatment (IDDT) Program. IDDT is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) has been operational at NCHSC and is proving to be successful. This program is designed to assist young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition. Many of the young people served in the TIP program would be homeless without this program.

Overview of Budget Changes – North Central Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
HSCs/Institutions	21,116,103	21,989,171	873,068
Total	21,116,103	21,989,171	873,068
General Fund	11,948,432	12,803,866	855,434
Federal Funds	8,248,234	8,062,838	(185,396)
Other Funds	919,437	1,122,467	203,030
Total	21,116,103	21,989,171	873,068

FTE	120.78	120.78	-

Budget Changes from Current Budget to Executive Budget:

The salary and benefits portion of the budget increased by $1,093,183 and can be attributed to the following:

- An increase of $395,883 in total funds, of which $287,256 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- An increase of $443,263 in total funds, of which $313,534 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $118,108 transferred from grants to salaries to fully fund the psychiatrist position.

- An increase of $141,561 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $266,846 to underfund the 2013-2015 pay plan, all general fund.

- An increase in temporary salaries of $38,352, which is largely due to the NCHSC employing partnership case aides as temporary employees rather than contracting for these services. This allows for the NCHSC staff to directly supervise and manage the case aide services provided to clients.

- The remaining increase of $222,862 is a combination of increases and decreases needed to sustain the NCHSC's 120.78 FTEs.

The Operating portion of the budget decreased by $60,201 and is a combination of the increases and decreases with a majority of the changes in the following areas:

- An increase of $98,498 in travel costs of which $63,967 is due to increased anticipated state fleet costs and higher per diem costs established in the 2011-2013 biennium. The remaining increase of $34,531 is due to increased travel largely in the area of outreach services.

- A decrease of $31,000 in food and clothing due to the closing of the NCHSC's Transitional Living program.

- A decrease of $49,875 in rental costs. This is largely due to decreases of $36,000 for a home that was flooded and not repaired that was used for addiction clients in recovery, and a $63,592 decrease due to the change in the TL program. These decreases are offset by a projected increase in the NCHSC's main office rent in the amount of $49,717.

- An increase of $18,419 in repair costs, which largely represents increased costs for janitorial services for the NCHSC's building.

- A decrease of $68,690 in Operating Fees and Services, which is largely the result of a $102,294 decrease due to the Options Counseling being administered out of the DHS Aging Services Central Office and the addition of $40,000 in funding for TIP.

The Grants portion of the budget decreased a total of $159,914, with a majority of the changes in the following areas:

- A decrease of $118,108 due to the hiring of a full time psychiatrist.

- A decrease of $202,907 for case aides in the partnership program. This service is being provided by temporary staff and has resulted in a savings of approximately $19,000.

- An increase of $192,620 that is all general fund to allow for a 4 percent inflationary increase for the contracted providers each year of the biennium.

NCHSC's general fund request increased $855,434. Of this amount, $600,790 is related to continuing the current salaries and benefits into

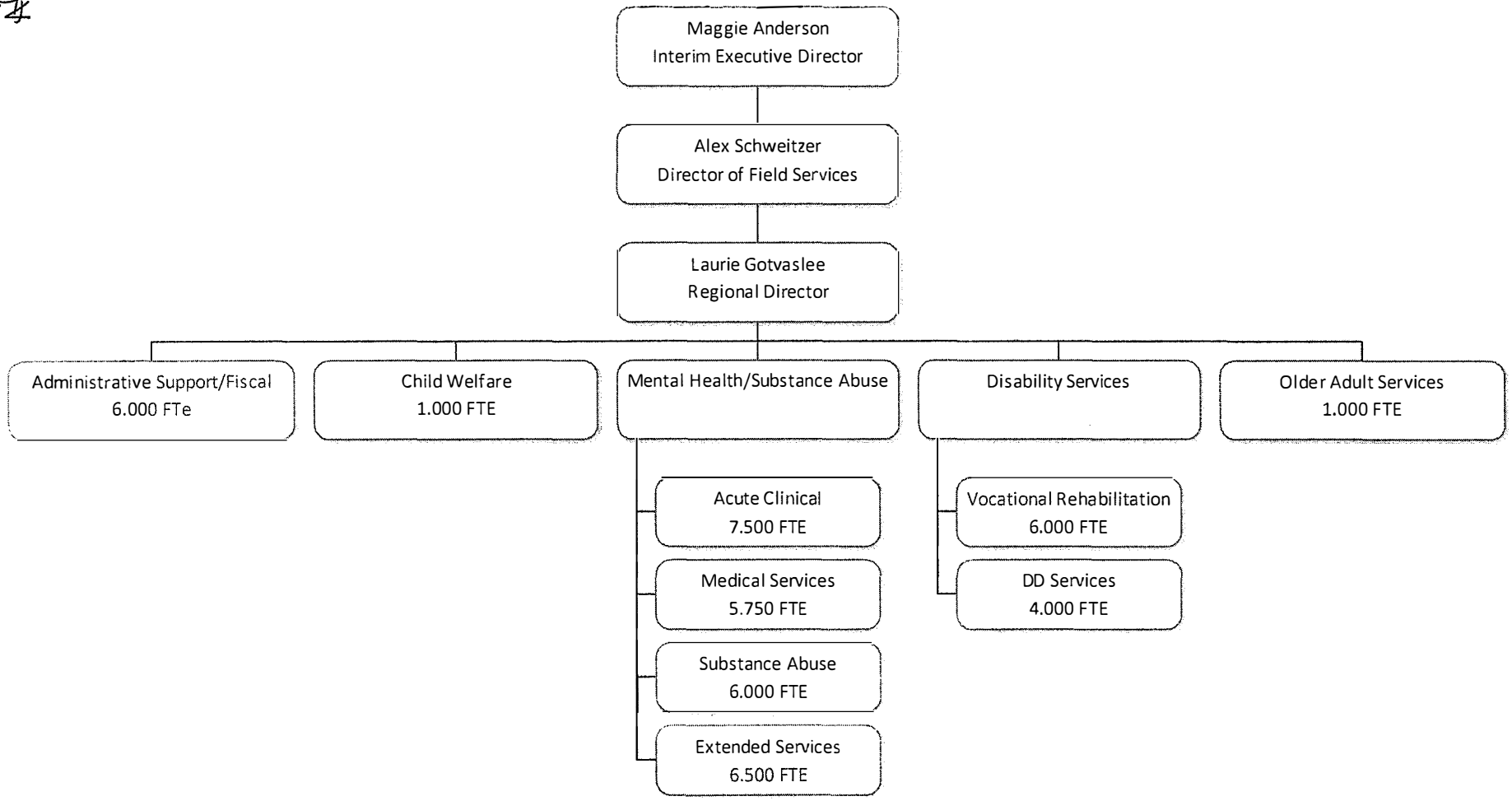
the new biennium, and $192,620 is related to the Governor's request for a 4 percent inflationary increase for contracted providers. The remaining amount is due to changes in funding of the NCHSC's various programs and the decreased federal medical assistance percentage (FMAP).

I would be happy to answer any questions about the NCHSC.

HB 1012
1/28/2013 AM
Attachment # 3

ND Department of Human Services

Northwest Human Service Center
Functional Organizational Chart
43.750 FTE



1/15/2013

HB 1012
1/28/2013 AM
Attachment #4

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-71 NORTHWEST HSC							
S101	FULL-TIME EQUIVALENTS (FTEs)	43.750	43.750	0.000	0.000	0.000	43.750
32570 B	511000 Salaries - Permanent	3,922,783	4,048,171	1,885,477	27,193	0	4,075,364
32570 B	513000 Temporary Salaries	204,531	197,785	63,737	(83,425)	0	114,360
32570 B	514000 Overtime	3,903	4,487	3,759	4,439	0	8,926
32570 B	516000 Fringe Benefits	1,612,188	1,713,449	794,774	63,644	0	1,777,093
32570 B	519100 Reduction in Salary - Budget	0	(106,535)	0	5,146	0	(101,389)
32570 B	521000 Travel	164,332	144,888	94,490	40,424	0	185,312
32570 B	531000 Supplies - IT Software	9,942	10,700	6,678	3,620	0	14,320
32570 B	532000 Supply/Material-Professional	14,483	16,524	4,829	(2,706)	0	13,818
32570 B	533000 Food and Clothing	4,425	6,086	1,942	(1,286)	0	4,800
32570 B	534000 Bldg, Grounds, Vehicle Supply	5,091	4,500	1,258	(500)	0	4,000
32570 B	535000 Miscellaneous Supplies	17,538	12,243	7,574	307	0	12,550
32570 B	536000 Office Supplies	15,412	16,000	4,084	(4,000)	0	12,000
32570 B	541000 Postage	17,529	15,000	367	(5,000)	0	10,000
32570 B	542000 Printing	9,677	8,500	2,704	0	0	8,500
32570 B	551000 IT Equip under $5,000	189	0	0	0	0	0
32570 B	552000 Other Equip under $5,000	880	1,327	995	(1,327)	0	0
32570 B	553000 Office Equip & Furniture-Under	27,924	11,072	4,554	(5,922)	0	5,150
32570 B	581000 Rentals/Leases-Equip & Other	4,649	4,500	1,391	0	0	4,500
32570 B	582000 Rentals/Leases - Bldg/Land	590,493	585,435	335,542	454,848	0	1,040,283
32570 B	591000 Repairs	59,074	62,962	30,835	398	0	63,360
32570 B	599161 Health Increase	0	0	0	0	104,954	104,954
32570 B	599162 Retirement Increase	0	0	0	0	42,354	42,354
32570 B	602000 IT-Communications	73,481	76,339	33,325	(2,450)	0	73,889
32570 B	611000 Professional Development	24,615	13,780	12,569	(6,607)	0	7,173
32570 B	621000 Operating Fees and Services	35,259	62,254	12,989	(5,194)	0	57,060
32570 B	623000 Fees - Professional Services	191	655	492	(655)	0	0
32570 B	625000 Medical, Dental and Optical	3,549	2,271	2,271	2,729	0	5,000
32570 B	691000 Equipment Over $5000	5,260	0	0	0	0	0
32570 B	712000 Grants, Benefits & Claims	1,277,290	1,348,298	642,724	66,516	0	1,414,814
	Subtotal:	8,104,688	8,260,691	3,949,360	550,192	147,308	8,958,191

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-71 NORTHWEST HSC							
32570 F	F_7091 HSCs & Institutions - Gen Fund	4,430,122	4,614,269	2,230,327	663,063	116,059	5,393,391
32570 F	F_7092 HSCs & Institutions - Fed Fnds	3,210,695	3,177,416	1,570,570	(241,902)	31,249	2,966,763
32570 F	F_7093 HSCs & Institutions - Oth Fnds	463,871	469,006	148,463	129,031	0	598,037
	Subtotal:	8,104,688	8,260,691	3,949,360	550,192	147,308	8,958,191
	Subdivision Budget Total:	8,104,688	8,260,691	3,949,360	550,192	147,308	8,958,191
	General Funds:	4,430,122	4,614,269	2,230,327	663,063	116,059	5,393,391
	Federal Funds:	3,210,695	3,177,416	1,570,570	(241,902)	31,249	2,966,763
410-71 NORTHWEST HSC	**Other Funds:**	463,871	469,006	148,463	129,031	0	598,037
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	8,104,688	8,260,691	3,949,360	550,192	147,308	8,958,191

Northwest HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	15.00	730,023	461,436	268,587
Alcohol & Drug Residential Program	15.00	294,660	294,660	0
Outreach Office - Crosby		7,200	1,974	5,226
Outreach Office - Watford City		8,400	2,302	6,098
Total Rentals & Leases Budget Account Code		**1,040,283**	**760,372**	**279,911**

Northwest HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Advertising Services - Staff Recruitment	1,670	1,230	440
BCI Background Check for Staff	400	309	91
Service Awards	1,842	1,024	818
Freight and Express	1,750	1,369	381
Staff Licenses	3,405	1,895	1,510
Flexible Funds - Homeless clients	4,000	1,863	2,137
Other Miscellaneous	2,770	1,227	1,543
Flexible Funds - Transtion to Independence	40,000	40,000	0
Radio-TV-Newspaper Services	1,223	945	278
Total Operating Fees & Services Budget Account Code	**57,060**	**49,862**	**7,198**

Northwest HSC - 2013-15 Biennium Budget

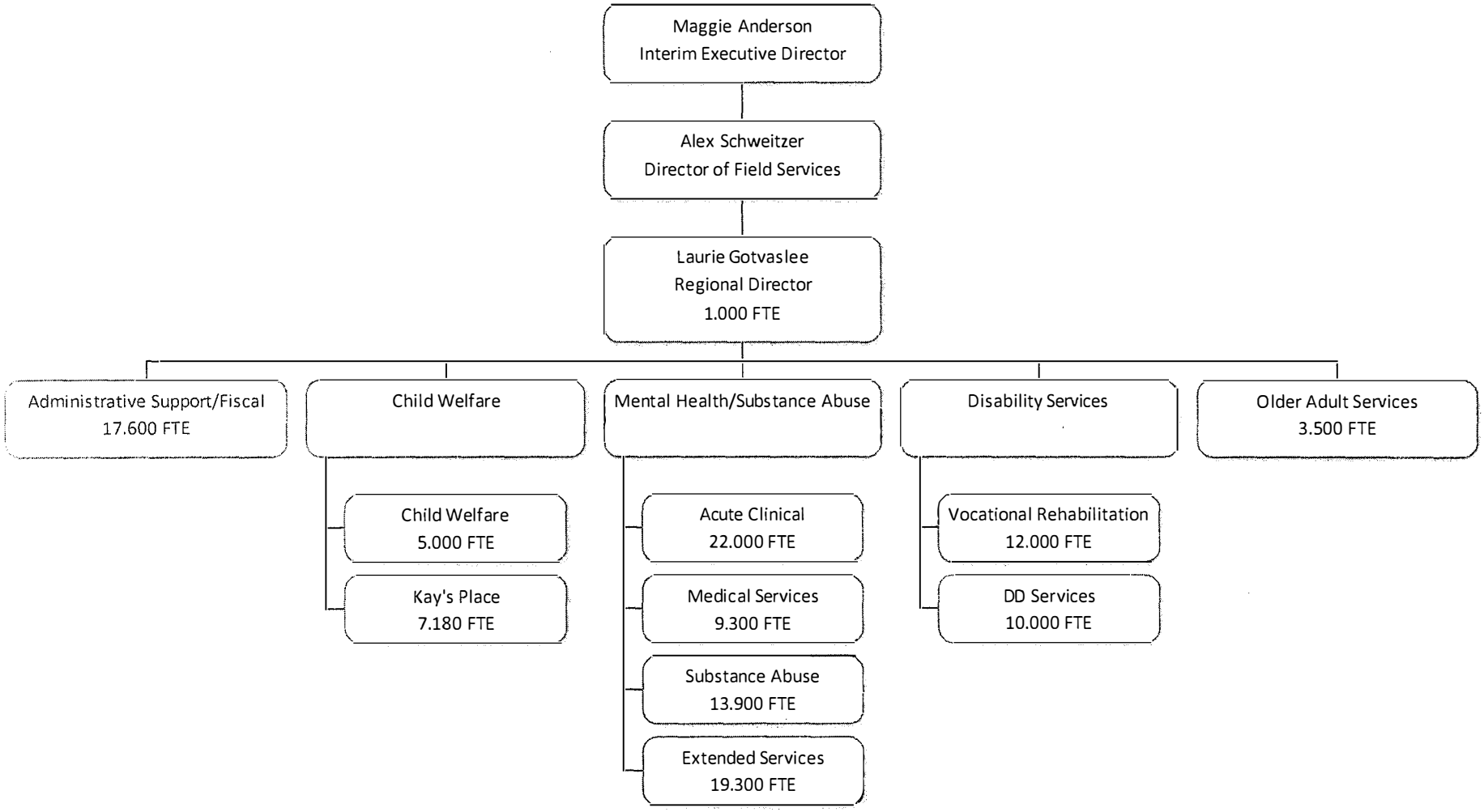
Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Psychiatric/Psychological/Medical Services	General Fund	313,244	329,874	16,630
Medication Monitor - $385,816	Federal Funds	73,038	70,103	(2,935)
Provider Inflation - $23,228	Special Funds	10,837	9,067	(1,770)
		397,119	409,044	11,925
DD Services	General Fund		1,808	1,808
Experienced Parent--$30,000	Federal Funds	31,364	30,000	(1,364)
Provider Inflation - $1,808		31,364	31,808	444
Recovery Center	General Fund	201,630	212,555	10,925
Recovery Center - $175,487	Federal Funds			0
Peer Support - $25,000		201,630	212,555	10,925
Provider Inflation - $12,068				
Residential Services	General Fund	311,726	354,898	43,172
CD Residential -- $309,048	Federal Funds	392,090	392,149	59
SMI Residential-- $409,128	Special Funds	14,369	14,360	(9)
Provider Inflation - $43,231		718,185	761,407	43,222
TOTAL GRANTS		**1,348,298**	**1,414,814**	**66,516**

HB 1012
1/28/2013 AM
Attachment #5

ND Department of Human Services

North Central Human Service Center
Functional Organizational Chart
120.780 FTE



1/15/2013

HB 1012
1/28/2013 AM
Attachment #2

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-72 NORTH CENTRAL HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	120.780	120.780	0.000	0.000	0.000	120.780
32570	B	511000	Salaries - Permanent	9,251,457	10,747,691	5,035,934	556,903	0	11,304,594
32570	B	512000	Salaries-Other	13,314	13,080	6,658	1,201	0	14,281
32570	B	513000	Temporary Salaries	225,884	271,512	114,186	38,352	0	309,864
32570	B	514000	Overtime	54,620	33,168	20,951	(13,538)	0	19,630
32570	B	516000	Fringe Benefits	3,936,384	4,567,327	2,163,460	239,667	0	4,806,994
32570	B	519100	Reduction in Salary - Budget	0	(141,561)	0	(125,285)	0	(266,846)
32570	B	521000	Travel	266,648	306,719	145,901	98,498	0	405,217
32570	B	531000	Supplies - IT Software	10,276	17,044	413	86	0	17,130
32570	B	532000	Supply/Material-Professional	25,779	22,364	7,943	(2,864)	0	19,500
32570	B	533000	Food and Clothing	73,848	70,500	41,811	(31,000)	0	39,500
32570	B	534000	Bldg, Grounds, Vehicle Supply	25,424	12,108	6,738	(1,008)	0	11,100
32570	B	535000	Miscellaneous Supplies	29,999	17,060	14,155	(2,510)	0	14,550
32570	B	536000	Office Supplies	21,149	20,568	14,125	4,032	0	24,600
32570	B	541000	Postage	23,004	31,830	11,300	(980)	0	30,850
32570	B	542000	Printing	28,073	23,770	18,321	(6,770)	0	17,000
32570	B	551000	IT Equip under $5,000	1,490	225	169	(225)	0	0
32570	B	552000	Other Equip under $5,000	424	4,258	4,258	(4,258)	0	0
32570	B	553000	Office Equip & Furniture-Under	24,529	5,000	4,444	0	0	5,000
32570	B	561000	Utilities	9,904	9,850	5,619	1,850	0	11,700
32570	B	581000	Rentals/Leases-Equip & Other	50	0	0	0	0	0
32570	B	582000	Rentals/Leases - Bldg/Land	1,027,675	1,068,993	551,580	(49,875)	0	1,019,118
32570	B	591000	Repairs	87,204	81,431	53,704	18,419	0	99,850
32570	B	599161	Health Increase	0	0	0	0	278,364	278,364
32570	B	599162	Retirement Increase	0	0	0	0	117,519	117,519
32570	B	602000	IT-Communications	138,019	139,827	67,578	(6,349)	0	133,478
32570	B	611000	Professional Development	51,767	19,690	10,999	(723)	0	18,967
32570	B	621000	Operating Fees and Services	134,541	199,907	55,037	(68,690)	0	131,217
32570	B	623000	Fees - Professional Services	150	1,320	1,232	1,030	0	2,350
32570	B	625000	Medical, Dental and Optical	10,474	8,479	5,951	3,021	0	11,500
32570	B	691000	Equipment Over $5000	0	11,885	11,885	(11,885)	0	0
32570	B	712000	Grants, Benefits & Claims	3,595,770	3,552,058	1,712,337	(159,914)	0	3,392,144

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-72 NORTH CENTRAL HSC							
	Subtotal:	19,067,856	21,116,103	10,086,689	477,185	395,883	21,989,171
32570 F	F_7091 HSCs & Institutions - Gen Fund	9,792,211	11,948,432	5,349,538	568,178	287,256	12,803,866
32570 F	F_7092 HSCs & Institutions - Fed Fnds	8,344,824	8,248,234	4,480,113	(294,023)	108,627	8,062,838
32570 F	F_7093 HSCs & Institutions - Oth Fnds	930,821	769,437	257,038	203,030	0	972,467
32570 F	F_7095 HSCs & Institutions - County	0	150,000	0	0	0	150,000
	Subtotal:	19,067,856	21,116,103	10,086,689	477,185	395,883	21,989,171
	Subdivision Budget Total:	19,067,856	21,116,103	10,086,689	477,185	395,883	21,989,171
410-72 NORTH CENTRAL HSC	**General Funds:**	9,792,211	11,948,432	5,349,538	568,178	287,256	12,803,866
	Federal Funds:	8,344,824	8,248,234	4,480,113	(294,023)	108,627	8,062,838
	Other Funds:	930,821	769,437	257,038	203,030	0	972,467
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	150,000	0	0	0	150,000
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	19,067,856	21,116,103	10,086,689	477,185	395,883	21,989,171

North Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	10.40	861,468	543,990	317,478
Kay's Place	14.99	118,810	57,100	61,710
Outreach Office - New Town		1,200	298	902
Outreach Office - Rugby		9,000	2,232	6,768
Outreach Office - Stanley		2,400	595	1,805
Supported Living - Rent Assistance		26,240	26,240	0
Total Rentals & Leases Budget Account Code		**1,019,118**	**630,455**	**388,663**

North Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Advertising	50	41	9
BCI Background Check	650	537	113
Service Awards	8,168	4,155	4,013
Extermination Services	650	451	199
Freight & Express	1,100	848	252
Staff Licenses	9,680	4,593	5,087
Flexible Funds - Homeless clients	8,000	8,000	0
Flexible Funds - Partnership Program	12,000	7,847	4,153
Flexible Funds - Transition to Independence	40,000	40,000	0
Flexible Funds - Kays Place	6,000	2,700	3,300
Other Miscellaneous	10,229	6,613	3,616
Wrap Around Funds	3,500	0	3,500
Purchase of Services - Short-term respite care	25,000	0	25,000
Radio - TV - Newspaper Service	6,190	4,147	2,043
Total Operating Fees & Services Budget Account Code	**131,217**	**79,932**	**51,285**

North Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
DD Services				
Experienced Parent - $35,000	General Fund		2,108	2,108
Provider Inflation - $2,108	Federal Funds	36,591	35,000	(1,591)
	Special Funds	0	0	0
		36,591	37,108	517
Psychiatric/Psychological/Medical Services				
Contracted Psychiatric Services - $157,505	General Fund	185,363	119,346	(66,017)
Provider Inflation - $9,480	Federal Funds	49,620	26,192	(23,428)
	Special Funds	40,630	21,447	(19,183)
		275,613	166,985	(108,628)
Sex Offender Treatment				
Sex Offender Services $150,000	General Fund	35,960	46,232	10,272
Provider Inflation - $9,032	Federal Funds	111,019	86,115	(24,904)
	Special Funds	16,455	26,685	10,230
		163,434	159,032	(4,402)
Recovery Center				
Recovery Center - $187,921	General Fund	240,195	249,233	9,038
Peer Support Program $50,000	Federal Funds	0	0	0
Provider Inflation - $11,312	Special Funds	0	0	0
		240,195	249,233	9,038

North Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services				
CD Residential Adult - $1,936,176	General Fund	2,084,401	2,238,044	153,643
CD Women's/Childrens - $567,240	Federal Funds	419,096	419,096	0
Provider Inflation - $153,724	Special Funds		0	0
		2,503,497	2,657,140	153,643
Substance Abuse Treatment and Prevention				
Native American Access Program - $100,000	General Fund	14,139	6,020	(8,119)
Provider Inflation - $6,020	Federal Funds	100,000	100,000	0
	Special Funds	0	0	0
		114,139	106,020	(8,119)
Respite Care				
Crisis/Respite Beds - $15,682	General Fund	9,833	11,198	1,365
Provider Inflation - $944	Federal Funds	5,849	5,428	(421)
	Special Funds	0	0	0
		15,682	16,626	944
Case Aides				
Case Aides - $0	General Fund	127,234	0	(127,234)
	Federal Funds	75,673	0	(75,673)
	Special Funds	0	0	0
		202,907	0	(202,907)
Total Grants		**3,552,058**	**3,392,144**	**(159,914)**

HB 1012
1/28/2013 AM
Attachment #7

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Kate Kenna, Director of the Lake Region Human Service Center (LRHSC) and Northeast Human Service Center (NEHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

Lake Region Human Service Center

The LRHSC provides services to the six counties of Ramsey, Cavalier, Rolette, Towner, Benson, and Eddy, including the Spirit Lake and Turtle Mountain tribal nations. Services are provided throughout the region with one office in Devils Lake and a full-time outreach office in Rolla. Case managers, clinicians, and program staff travel to deliver outreach services to all of the counties in the region.

Caseload/Customer Base

- 2,373 clients (1,856 adults and 517 children) were served, excluding Vocational Rehabilitation Services (VR), at the LRHSC in State Fiscal Year (SFY) 2012.

- 327 clients received VR services.

- In 2011, the population estimate in the region was 40,964, or 6 percent of the total state population. 14.1 percent of the state's children, nearly 21,388, reside in the region.

- During SFY 2012, LRHSC saw 991 Native American consumers which are 42 percent of all LRHSC consumers served. This number represents 36 percent of the total 2,759 Native American consumers seen statewide by the human service centers.

- During SFY 2012, LRHSC provided services to 84 consumers, age 80 and older.

Program Trends/Major Program Changes

- The poverty rate and unemployment rate in the region remains at essentially twice the state average, and two of the region's counties are identified among the three North Dakota counties deemed "persistent poverty" counties, meaning that poverty rates have remained stable during the time span encompassing the 1990, 2000, and 2010 census years. Based on 2011 data, 38 percent of the region residents relied on one or more DHS economic assistance program, again substantively higher than any other region.

- The water issues in the region continue to offer ongoing challenges to human service, faith based, and volunteer organizations active in this disaster. People are experiencing loss and grief as well as financial losses in many cases. On a positive note, local highway construction is nearing completion, and the lake level has dropped this past year.

- The region remains a designated Mental Health Professional Shortage area by the National Health Service Corp. All six counties had a recent shortage score increase from 18 to 19 which is the highest score in North Dakota. This score recognizes the region's recruitment challenges related to advanced licensed mental health professionals, and allows priority access to loan repayment opportunities for eligible hires, a recruitment resource that has had positive outcomes.

- High demand for substance abuse services continues, and finding addiction counselors remains the region's largest recruitment challenge.

- The region's consumers report that transportation is a continuing barrier to accessing services. Outreach is important as part of the solution and the Devils Lake office maintains office hours four evenings per week to accommodate consumer access. The LRHSC also operates a walk-in clinic two days per week for those in need of addiction treatment who can arrive for evaluation without needing an appointment time. The LRHSC has seen its no-show rates drop significantly because of this effort. The 10-bed crisis residential unit in Rolla and the 15-bed unit in Devils Lake also help reduce travel barriers, particularly for those consumers who are in need of intensive outpatient services.

- The region does not have an inpatient mental health or substance abuse program available, so the region utilizes the North Dakota State Hospital (State Hospital) and private facilities. Admissions to the State Hospital are down, suggesting that the region is managing more of their vulnerable clients locally.

- Rolette County continues to grow and remains the region's most populous county. LRHSC administration has been transferring positions to the Lake Region Outreach Office, and we now have nine staff in Rolla: three masters level mental health staff, three licensed addiction counselors, two developmental disabilities case managers, and one support staff. We additionally have a licensed psychologist traveling to Rolla once per week and offer psychiatric medication management via telemedicine.

- A number of agencies across the Lake Region are noticing an increase in pregnant women who are identified as continuing to abuse substances during pregnancy, and in a number of instances the problem has not been identified until after delivery, thus babies are being born who are in withdrawal.

- Last biennium, two new 8-bed apartments were opened, one in Rolla and one in Belcourt, primarily to address living needs of individuals with developmental disabilities. A sheltered workshop was also opened in each of these communities. The facilities have both remained full or near full, and in particular have provided a resource to Native American consumers.

- The number of children deemed eligible for Infant Development Services have also continued to grow. This program has added a second full-time infant development staff member to the Rolla and Belcourt area, and LRHSC has added a second Developmental Disabilities case manager position to the LRHSC outreach office in Rolla.

- LRHSC is implementing the Integrated Dual Disorder Treatment Program (IDDT), which is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) is now operational in the Lake Region, and is a program designed to assist those young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition.

- A transitional living (TL) facility has been a missing component of care for individuals with serious mental illness in the region. A TL facility has been included in the Governor's Executive Budget request and would serve up to eight seriously mentally ill individuals who need an intensive level of care, 24/7, for a period of 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This facility could also serve potential State Hospital referrals and reduce hospital stays for the region.

Overview of Budget Changes – Lake Region Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSC / Institutions	11,244,306	12,736,133	1,491,827
General Fund	6,760,312	7,573,786	813,474
Federal Funds	4,011,552	4,581,692	570,140
Other Funds	472,442	580,655	108,223
Total	11,244,306	12,736,133	1,491,827

FTE	61	61	-

The salary and fringe benefits portion of the budget increased by $530,615 and the majority of the changes can be attributed to the following:

- $198,643 in total funds, of which $146,302 is general fund needed to fund the Governor's Benefit package for health insurance and retirement for state employees.

- $222,901 in total funds, of which $158,078 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $19,267 in temporary salary increases due mainly to a contracted psychiatrist becoming a temporary employee due to IRS regulations.

- An increase of $116,176 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $134,837 to underfund the 2013-2015 pay plan, all general fund.

- The remaining $108,465 increase is a combination of increases and decreases needed to sustain the salaries of the LRHSC's 61 FTEs.

The operating portion of the budget increased by $110,786 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $67,165 in travel costs of which $48,737 is due to increased anticipated state fleet costs and higher per diem costs allowed in the 2011-2013 biennium without additional funding. The remaining increase of $20,828 is due to increased travel largely for outreach in the areas of Developmental Disabilities case management, Serious Mentally Ill case management, and other client-related needs areas.

- An increase of $29,395 in Operating Fees and Services of which there is a $40,000 increase for the TIP program, a $5,000 increase for funds to assist clients in the IDDT program, and a decrease of $15,848 due to the Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $850,426. This increase is the result of the following items:

- A decrease of $24,495 in grants as the result of a contracted psychiatrist being properly classified as a temporary employee as mentioned above.

- An increase of $26,665 to continue the second year of the provider increases given in the current biennium for the entire 2013-2015 biennium.

- An increase of $118,516 for a 4 percent and 4 percent increase to contracted providers as requested by the Governor.

- An increase of $729,740 of which $401,414 is general fund to add an 8-bed Transitional Living Program in the region.

General fund increases total $813,474.

- An increase of $304,380 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $519,930 for the contracted TL residential facility and provider increases.

- The remaining decrease is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

Other funds increased by approximately $108,000 due to projected increases in client and third party collections.

I would be happy to answer any questions about the LRHSC.

Northeast Human Service Center

The NEHSC serves Grand Forks, Nelson, Walsh, and Pembina counties. The NEHSC is located in Grand Forks with a satellite office in Grafton and an outreach site in Cavalier.

Caseload/Customer Base

- 3,356 clients were served, excluding Vocational Rehabilitation Services (VR), at the NEHSC in State Fiscal Year (SFY) 2012, 2,602 adults and 754 children.

- 725 clients received VR Services.

- The population of the region is approximately 88,029. This represents 13.2 percent of the state's population. 12.5 percent of the state's children, nearly 17,561, reside in this region.

- NEHSC is experiencing an increase in admissions and services to individuals age 60 and older, 18 percent increase since 2010.

- From October 2011 through September 2012 the region received 1,554 reports of Suspected Child Abuse and Neglect as compared to 1,353 reports in the prior federal fiscal year, a 15 percent increase.

Program Trends/Major Program Changes

- The NEHSC has three fully licensed psychologists despite a history of difficulty recruiting and retaining psychologists. We have also filled all positions for community home counselors, and mental health clinicians.

- In addiction services, NEHSC continues to see an increased abuse of prescription medication, methamphetamine and heroin, more IV users including pregnant women, a need for longer residential

stays, and an increase in clients from County Social Services and the Department of Corrections and Rehabilitation who require additional case management and more frequent involuntary commitments. We are seeing more transient and homeless clients, often with dual diagnosis issues.

- NEHSC addiction services noticed a significant increase in the use of synthetic marijuana, which is undetectable by traditional drug screening. A number of clients had their treatment impacted by this undetected continued use.

- We are seeing an increase in clients accessing our services through our Grafton satellite clinic.

- Referrals for early intervention services, children 0-3 years of age continue to increase. Referrals are coming from hospitals, clinics, Early Head Start, and parental referrals.

- In adult Developmental Disabilities services, the NEHSC is seeing a trend of many clients aging in their own homes. These clients are living into their 70s and 80s. As they grow older, their need for assistance and supervision increases.

- The NEHSC continues to work with many families whose children or young adults have been diagnosed with Autism and have been working with families to access the autism waiver in North Dakota.

- NEHSC is currently working with 12 different licensed developmental disabilities provider agencies to meet the needs of developmentally disabled individuals in the region.

- Ruth Meiers Adolescent Psychiatric Residential Treatment Facility continues to serve adolescents from across North Dakota that are experiencing serious mental health issues. Trends impacting the delivery of services include a steady increase in the number of referrals where the adolescents are more aggressive and assaultive and those that have significant cognitive impairments.

- Children and Family Services have noted a decrease of child care providers. Some of this decrease is because the school system operates their own after-school program which does not require licensing. In the past, the YMCA provided this service and they were licensed. The NEHSC, however, has noted a trend of longer term providers retiring, and there are fewer coming into the field of child care.

- NEHSC has also noted a decrease in the number of foster care homes. This is despite a very active recruitment effort.

- The NEHSC has been working with Network for the Improvement of Addiction Treatment (NIATx) to improve services to clients. This process looks at evaluating services and using a rapid change cycle in the delivery of services. We have focused on reducing wait time, increased customer satisfaction, and efficiency. We also have been working on a risk of suicide protocol to more effectively react to those situations.

Overview of Budget Changes – Northeast Human Service Center

Description	2011 - 2013 Budget	2013 – 2015 Budget	Increase / Decrease
HSCs / Institutions	26,677,328	27,882,775	1,205,447
General Fund	12,366,839	13,744,433	1,377,594
Federal Funds	12,540,280	12,183,785	(356,495)
Other Funds	1,770,209	1,954,557	184,348
Total	26,677,328	27,882,775	1,205,447

FTE	138.50	138.50	0

Salary and benefits increased by $996,374 and can be attributed to the following:

- $452,942 in total funds, of which $301,215 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $500,741 in total funds, of which $298,771 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $151,897 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $266,495 to underfund the 2013–2015 pay plan, all general fund.

- Temporary salaries are increased by $43,359 to meet staffing needs in the Ruth Meiers Psychiatric Residential Treatment Facility

and a part-time temporary case aide for adults with serious mental illness.

- The remaining increase of $113,930 is a combination of increases and decreases needed to sustain the salary and benefits of the 138.5 FTEs in this area of the budget.

The Operating budget decreased by $782 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $32,194 in NEHSC's travel budget. DOT Motor Pool rates for 2013-2015 biennium increased by 27 percent for state cars and 22 percent for mini-vans.

- A decrease of $31,512 in Fees – Professional Services, primarily due to a reduction in the number of foster grandparents in the Foster Grandparent Program.

- A small increase, $2,462, in the budget for office rental, less than one percent. There are no changes in any of Northeast's office lease rates or space leased for the 2013-2015 biennium.

- IT Communications decrease of $6,789, approximately a 3 percent reduction.

The Grants portion of the budget includes a net increase of $209,855. This includes an increase of $303,275 of which $214,156 is general fund to cover inflationary increases of 4 percent each year for the contracted

providers. An increase of $73,796 for the cost to continue the second year of the provider increases that were given in the current biennium. These increases were offset by decreases in detoxification services and nurturing parent services.

The general fund request increased by $1,377,594.

- An increase of $599,986 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $214,156 for the contracted provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

NEHSC is projecting an $184,348 increase in other funding, primarily from client and third party collections.

I would be happy to answer any questions about the NEHSC.

HHS 1012
1/28/2013 AM
Attachment #8

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

General Information

STAFFING		
Authorized FTE *2007-2009*	2223.38	
Authorized FTE *2009-2011*	2216.88	
Authorized FTE *2011-2013*	2189.35	
Addition of 8 from Special Session=	2197.35	
Proposed Authorized FTE 2013-2015 Biennium		
Administration/Support	66.6	
Information Technology Services	81.5	
Economic Assistance Policy	30.8	
Child Support	165.2	
Medical	56.5	
Developmental Disabilities Council	1	
Aging	11	
Children & Family Services	17	
Mental Health/Substance Abuse	17	
Vocational Rehabilitation	34	
Developmental Disabilities	10	
Statewide HSC Management	13	
Subtotal:	→	*503.6*
Northwest HSC	43.75	
North Central HSC	120.78	
Lake Region HSC	61	
Northeast HSC	138.5	
Southeast HSC	185.15	
South Central HSC	83.5	
West Central HSC	136.1	
Badlands HSC	74.7	
Subtotal:	→	843.48
State Hospital	457.45	
Developmental Center	392.55	
Subtotal:	→	850
	2197.08	

TURNOVER	2011	2012
Central Office	7.85%	9.70%
Northwest HSC	33.19%	25.69%
North Central HSC	7.92%	20.45%
Lake Region HSC	3.64%	9.09%
Northeast HSC	10.43%	12.83%
Southeast HSC	10.07%	6.79%
South Central HSC	11.04%	6.11%
West Central HSC	5.26%	9.18%
Badlands HSC	13.08%	14.43%
State Hospital	12%	16.22%
Developmental Center	13.58%	13.38%

2012 Departmentwide	12.48%
2011 Departmentwde	10.64%
2010 Departmentwide	11.45%

VACANCY RATES	
December 31, 2012	5.38%
December 31, 2011	3.84%
December 31, 2010	4.24%

COMPENSATION	
Compa ratio 7-1-12	0.83
% of employees below market	88%
# of employees below market	1933

Footnote:
Compa ratio is a calculation of the employee's salary in relation to market. If an employee is paid exactly at the market policy point, compa ratio is 1.0. Compa ratio should be no less than 0.75 and no more than 1.25. A compa ratio of 0.75 means that the employee is 25% behind the market in terms of pay.

Prepared by DHS HR Division
January 8, 2013

#3 1012 1/28/2013 Attachment #9

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-73 LAKE REGION HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	61.000	61.000	0.000	0.000	0.000	61.000
32570	B	511000	Salaries - Permanent	5,027,888	5,700,889	2,628,307	242,328	0	5,943,217
32570	B	513000	Temporary Salaries	29,785	133,780	39,338	19,267	0	153,047
32570	B	514000	Overtime	3,193	0	0	0	0	0
32570	B	516000	Fringe Benefits	1,933,418	2,332,927	1,041,513	89,038	0	2,421,965
32570	B	519100	Reduction in Salary - Budget	0	(116,176)	0	(18,661)	0	(134,837)
32570	B	521000	Travel	176,438	216,718	108,080	67,165	0	283,883
32570	B	531000	Supplies - IT Software	15,274	11,940	6,376	4,800	0	16,740
32570	B	532000	Supply/Material-Professional	44,904	39,374	16,967	7,626	0	47,000
32570	B	534000	Bldg, Grounds, Vehicle Supply	1,143	200	0	1,000	0	1,200
32570	B	535000	Miscellaneous Supplies	16,839	11,457	4,616	0	0	11,457
32570	B	536000	Office Supplies	21,680	31,600	8,413	0	0	31,600
32570	B	541000	Postage	18,395	24,652	11,516	(1,500)	0	23,152
32570	B	542000	Printing	10,186	10,100	5,861	2,000	0	12,100
32570	B	551000	IT Equip under $5,000	1,812	0	0	0	0	0
32570	B	571000	Insurance	3,727	5,300	1,877	(1,300)	0	4,000
32570	B	581000	Rentals/Leases-Equip & Other	840	960	315	0	0	960
32570	B	582000	Rentals/Leases - Bldg/Land	407,025	430,332	227,765	4,347	0	434,679
32570	B	591000	Repairs	14,678	18,150	7,300	0	0	18,150
32570	B	599161	Health Increase	0	0	0	0	136,899	136,899
32570	B	599162	Retirement Increase	0	0	0	0	61,744	61,744
32570	B	602000	IT-Communications	86,942	92,850	44,138	(947)	0	91,903
32570	B	611000	Professional Development	7,080	8,950	2,975	200	0	9,150
32570	B	621000	Operating Fees and Services	63,978	60,436	12,113	29,395	0	89,831
32570	B	623000	Fees - Professional Services	7,136	10,075	910	0	0	10,075
32570	B	625000	Medical, Dental and Optical	4,394	4,700	663	0	0	4,700
32570	B	691000	Equipment Over $5000	13,428	20,000	0	(2,000)	0	18,000
32570	B	712000	Grants, Benefits & Claims	1,729,904	2,195,092	800,597	850,426	0	3,045,518
			Subtotal:	9,640,087	11,244,306	4,969,640	1,293,184	198,643	12,736,133
32570	F	F_7091	HSCs & Institutions - Gen Fund	5,082,106	6,760,312	2,839,742	667,172	146,302	7,573,786
32570	F	F_7092	HSCs & Institutions - Fed Fnds	4,316,701	4,011,552	1,921,478	517,799	52,341	4,581,692

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-73 LAKE REGION HSC							
32570 F	F_7093 HSCs & Institutions - Oth Fnds	241,280	472,442	208,420	108,213	0	580,655
	Subtotal:	9,640,087	11,244,306	4,969,640	1,293,184	198,643	12,736,133
	Subdivision Budget Total:	9,640,087	11,244,306	4,969,640	1,293,184	198,643	12,736,133
410-73 LAKE REGION HSC	**General Funds:**	5,082,106	6,760,312	2,839,742	667,172	146,302	7,573,786
	Federal Funds:	4,316,701	4,011,552	1,921,478	517,799	52,341	4,581,692
	Other Funds:	241,280	472,442	208,420	108,213	0	580,655
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	9,640,087	11,244,306	4,969,640	1,293,184	198,643	12,736,133

Lake Region HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	10.61	381,507	228,214	153,293
Outreach Office - Rolla	11.32	53,172	31,371	21,801
Total Rentals & Leases Budget Account Code		**434,679**	**259,585**	**175,094**

Lake Region HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Bus Transportation and Gas Vouchers for clients	5,944	2,727	3,217
Document Management Services	588	491	97
Records Requests and Research Fees	1,669	681	988
Freight Costs for Purchased Goods	241	201	40
Job Announcements and Yearly Civil Rights Legal Notices	5,800	4,847	953
Advertising for Programs (crisis line, care providers)	5,887	2,401	3,486
Flexible Funds - Transition to Independence	40,000	40,000	0
Flexible Funds - Partnership Children and Part C Children	10,075	3,377	6,698
Client Services funding for IDDT	5,000	5,000	0
Flexible Funds - Homeless clients	8,165	3,865	4,300
Staff Licenses	3,361	1,989	1,372
Service Awards	3,101	1,835	1,266
Total Operating Fees & Services Budget Account Code	**89,831**	**67,414**	**22,417**

Lake Region HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Psychiatric/Psychological/Medical Services	General Fund	15,594	0	(15,594)
Contracted Psychiatric Services - $0	Federal Funds	6,170	0	(6,170)
	Special Funds	2,731		(2,731)
		24,495	0	(24,495)
DD Experienced Parent	General Fund	8,050	10,642	2,592
Marcia Schneider - $43,050	Federal Funds	35,000	35,000	0
Provider Inflation - $2,592	Special Funds			0
		43,050	45,642	2,592
Respite Care	General Fund	45,612	48,356	2,744
Various Providers - $45,612	Federal Funds			0
Provider Inflation - $2,744	Special Funds			0
		45,612	48,356	2,744
Substance Abuse Treatment or Prevention Servic	General Fund	52,186	54,685	2,499
Spirit Lake Tribe - $119,192	Federal Funds	65,271	64,507	(764)
	Special Funds			0
		117,457	119,192	1,735
Recovery Center	General Fund	229,087	245,895	16,808
Recovery Center - $206,931	Federal Funds			0
Peer Support - $25,000		229,087	245,895	16,808
Provider Inflation - $13,964				

Lake Region HSC - 2013-15 Biennium Budget

Grants Summary

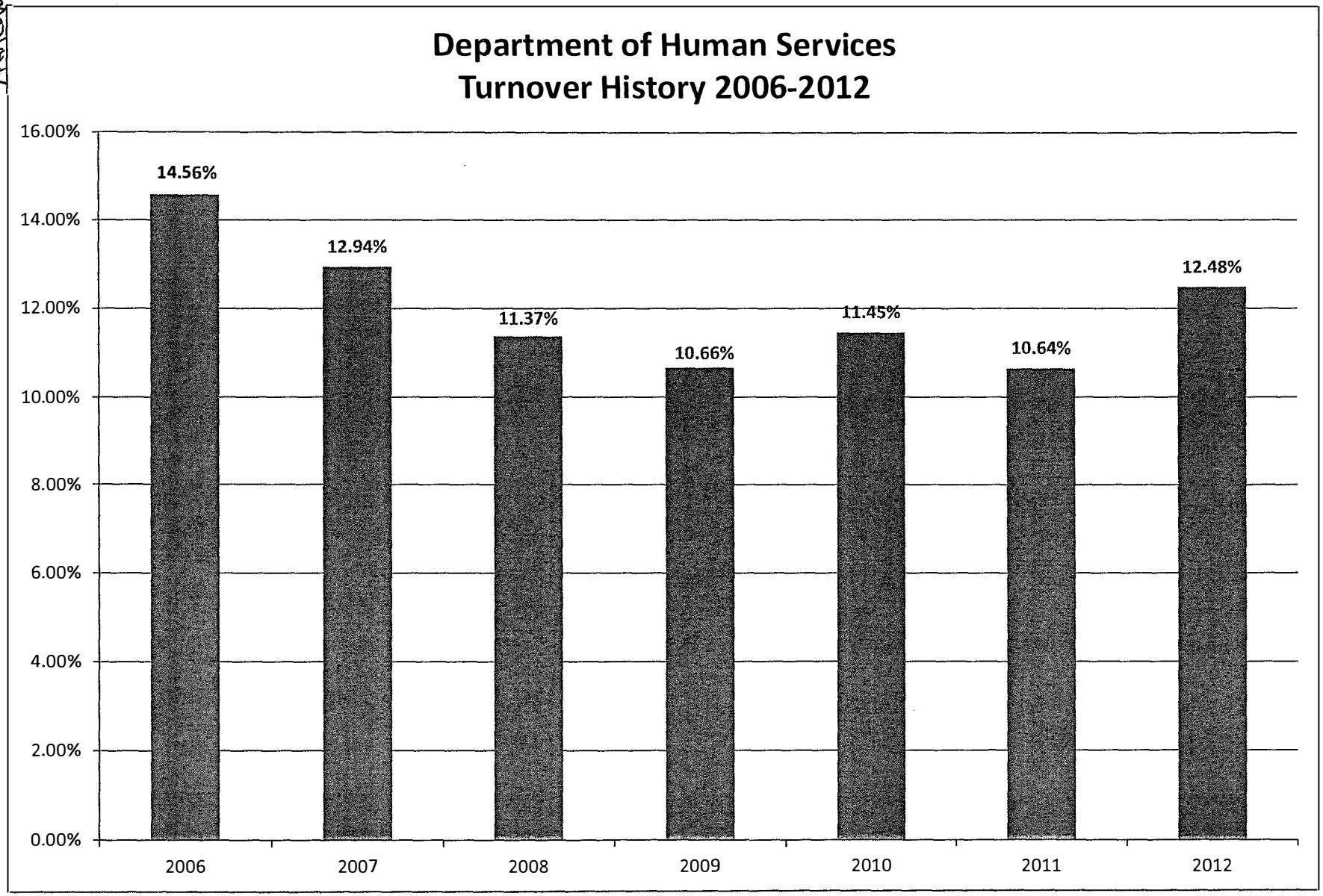
Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services	General Fund	1,558,796	2,081,536	522,740
CD Residential -- $1,596,485	Federal Funds	176,595	446,897	270,302
SMI Residential--$160,992	Special Funds		58,000	58,000
SMI Transitional Living --$729,740		1,735,391	2,586,433	851,042
Provider Inflation - $99,216				
TOTAL GRANTS		**2,195,092**	**3,045,518**	**850,426**

HB 1012
1/28/2013 #1
Attachment

Caseload Comparison - Human Service Centers

State Fiscal Year	Northwest HSC	North Central HSC	Lake Region HSC	Northeast HSC	Southeast HSC	South Central HSC	West Central HSC	Badlands HSC	Statewide	Change from the Previous Year
2008	1,263	3,215	2,373	3,370	5,029	2,958	4,913	1,854	24,975	
2009	1,342	3,197	2,318	3,555	4,968	2,991	5,027	1,891	25,289	314
2010	1,545	3,225	2,484	3,557	5,102	3,074	5,348	1,860	26,195	906
2011	1,650	3,325	2,607	3,608	5,042	3,236	5,655	1,912	27,035	840
2012	1,833	3,398	2,373	3,356	4,949	3,182	5,532	1,871	26,494	(541)

HB 1012
1/28/2013 AM
Attachment #2



Prepared by Human Resources
January 2013

Attachment #2

Department of Human Services
2006-2012 Turnover History by Human Service Center

	2006	2007	2008	2009	2010	2011	2012
NWHSC	6.87%	14.22%	22.92%	14.33%	13.89%	33.19%	25.69%
NCHSC	10.17%	5.49%	10.77%	8.01%	7.97%	7.92%	20.45%
LRHSC	9.06%	10.55%	14.13%	8.88%	12.98%	3.64%	9.09%
NEHSC	24.00%	12.15%	10.64%	9.74%	8.26%	10.43%	12.83%
SEHSC	21.11%	14.61%	11.44%	10.84%	13.54%	10.07%	6.79%
SCHSC	11.28%	3.71%	13.82%	3.64%	16.03%	11.04%	6.11%
WCHSC	11.63%	7.21%	6.16%	8.40%	5.35%	5.26%	9.18%
BLHSC	8.60%	8.84%	7.40%	4.27%	10.17%	13.08%	14.43%

Prepared by DHS HR Division
January 2013

HB 1012
1/28/2013 PM
Attachment #4

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
Oil Patch Add-On Pay
Addition to Pay Administration Policy 309-01
April 17, 2012

SCOPE: Oil Patch add-on salary differential payment applies to Legislatively-authorized positions filled by employees of the Department of Human Services whose home base is Williston, North Dakota.

PURPOSE: Offset the higher cost of living in the regions affected and improve the Department's ability to attract and retain employees.

PROCESS:

- Effective date 4-1-12
- Continuation of the add-on depends on availability of funding. Program may be terminated without notice.
- Add-on amount is $500 per month for full-time positions, but is not part of base salary. Part-time employee adjustments will be pro-rated based on work percentage.
- Amount is paid on the first working day of each month. Because the pay is additional and not part of base, the withholding rate for taxes is higher.
- Temporary/emergency staff, although not in a Legislatively-authorized FTE, may be eligible for the add-on based on their individual situation, including length of assignment and existing rate of pay. Hourly rate of pay may be increased proportionately.
- Employees must meet and sustain their performance standards in order to receive an increase of any kind.
- Although the add-on pay is not part of base rate, it is considered part of the salary for purposes of determining overtime pay for non-exempt staff.
- The Department reserves the right to withhold, modify or alter amounts offered to employees as necessary.

HB 1012
1/28/2013 AM
Attachment #5

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Kate Kenna, Director of the Lake Region Human Service Center (LRHSC) and Northeast Human Service Center (NEHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

Lake Region Human Service Center

The LRHSC provides services to the six counties of Ramsey, Cavalier, Rolette, Towner, Benson, and Eddy, including the Spirit Lake and Turtle Mountain tribal nations. Services are provided throughout the region with one office in Devils Lake and a full-time outreach office in Rolla. Case managers, clinicians, and program staff travel to deliver outreach services to all of the counties in the region.

Caseload/Customer Base

- 2,373 clients (1,856 adults and 517 children) were served, excluding Vocational Rehabilitation Services (VR), at the LRHSC in State Fiscal Year (SFY) 2012.

- 327 clients received VR services.

- In 2011, the population estimate in the region was 40,964, or 6 percent of the total state population. 14.1 percent of the state's children, nearly 21,388, reside in the region.

- During SFY 2012, LRHSC saw 991 Native American consumers which are 42 percent of all LRHSC consumers served. This number represents 36 percent of the total 2,759 Native American consumers seen statewide by the human service centers.

- During SFY 2012, LRHSC provided services to 84 consumers, age 80 and older.

Program Trends/Major Program Changes

- The poverty rate and unemployment rate in the region remains at essentially twice the state average, and two of the region's counties are identified among the three North Dakota counties deemed "persistent poverty" counties, meaning that poverty rates have remained stable during the time span encompassing the 1990, 2000, and 2010 census years. Based on 2011 data, 38 percent of the region residents relied on one or more DHS economic assistance program, again substantively higher than any other region.

- The water issues in the region continue to offer ongoing challenges to human service, faith based, and volunteer organizations active in this disaster. People are experiencing loss and grief as well as financial losses in many cases. On a positive note, local highway construction is nearing completion, and the lake level has dropped this past year.

- The region remains a designated Mental Health Professional Shortage area by the National Health Service Corp. All six counties had a recent shortage score increase from 18 to 19 which is the highest score in North Dakota. This score recognizes the region's recruitment challenges related to advanced licensed mental health professionals, and allows priority access to loan repayment opportunities for eligible hires, a recruitment resource that has had positive outcomes.

- High demand for substance abuse services continues, and finding addiction counselors remains the region's largest recruitment challenge.

- The region's consumers report that transportation is a continuing barrier to accessing services. Outreach is important as part of the solution and the Devils Lake office maintains office hours four evenings per week to accommodate consumer access. The LRHSC also operates a walk-in clinic two days per week for those in need of addiction treatment who can arrive for evaluation without needing an appointment time. The LRHSC has seen its no-show rates drop significantly because of this effort. The 10-bed crisis residential unit in Rolla and the 15-bed unit in Devils Lake also help reduce travel barriers, particularly for those consumers who are in need of intensive outpatient services.

- The region does not have an inpatient mental health or substance abuse program available, so the region utilizes the North Dakota State Hospital (State Hospital) and private facilities. Admissions to the State Hospital are down, suggesting that the region is managing more of their vulnerable clients locally.

- Rolette County continues to grow and remains the region's most populous county. LRHSC administration has been transferring positions to the Lake Region Outreach Office, and we now have nine staff in Rolla: three masters level mental health staff, three licensed addiction counselors, two developmental disabilities case managers, and one support staff. We additionally have a licensed psychologist traveling to Rolla once per week and offer psychiatric medication management via telemedicine.

- A number of agencies across the Lake Region are noticing an increase in pregnant women who are identified as continuing to abuse substances during pregnancy, and in a number of instances the problem has not been identified until after delivery, thus babies are being born who are in withdrawal.

- Last biennium, two new 8-bed apartments were opened, one in Rolla and one in Belcourt, primarily to address living needs of individuals with developmental disabilities. A sheltered workshop was also opened in each of these communities. The facilities have both remained full or near full, and in particular have provided a resource to Native American consumers.

- The number of children deemed eligible for Infant Development Services have also continued to grow. This program has added a second full-time infant development staff member to the Rolla and Belcourt area, and LRHSC has added a second Developmental Disabilities case manager position to the LRHSC outreach office in Rolla.

- LRHSC is implementing the Integrated Dual Disorder Treatment Program (IDDT), which is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) is now operational in the Lake Region, and is a program designed to assist those young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition.

- A transitional living (TL) facility has been a missing component of care for individuals with serious mental illness in the region. A TL facility has been included in the Governor's Executive Budget request and would serve up to eight seriously mentally ill individuals who need an intensive level of care, 24/7, for a period of 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This facility could also serve potential State Hospital referrals and reduce hospital stays for the region.

Overview of Budget Changes – Lake Region Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSC / Institutions	11,244,306	12,736,133	1,491,827
General Fund	6,760,312	7,573,786	813,474
Federal Funds	4,011,552	4,581,692	570,140
Other Funds	472,442	580,655	108,223
Total	11,244,306	12,736,133	1,491,827

FTE	61	61	-

The salary and fringe benefits portion of the budget increased by $530,615 and the majority of the changes can be attributed to the following:

- $198,643 in total funds, of which $146,302 is general fund needed to fund the Governor's Benefit package for health insurance and retirement for state employees.

- $222,901 in total funds, of which $158,078 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $19,267 in temporary salary increases due mainly to a contracted psychiatrist becoming a temporary employee due to IRS regulations.

- An increase of $116,176 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $134,837 to underfund the 2013-2015 pay plan, all general fund.

- The remaining $108,465 increase is a combination of increases and decreases needed to sustain the salaries of the LRHSC's 61 FTEs.

The operating portion of the budget increased by $110,786 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $67,165 in travel costs of which $48,737 is due to increased anticipated state fleet costs and higher per diem costs allowed in the 2011-2013 biennium without additional funding. The remaining increase of $20,828 is due to increased travel largely for outreach in the areas of Developmental Disabilities case management, Serious Mentally Ill case management, and other client-related needs areas.

- An increase of $29,395 in Operating Fees and Services of which there is a $40,000 increase for the TIP program, a $5,000 increase for funds to assist clients in the IDDT program, and a decrease of $15,848 due to the Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $850,426. This increase is the result of the following items:

- A decrease of $24,495 in grants as the result of a contracted psychiatrist being properly classified as a temporary employee as mentioned above.

- An increase of $26,665 to continue the second year of the provider increases given in the current biennium for the entire 2013-2015 biennium.

- An increase of $118,516 for a 4 percent and 4 percent increase to contracted providers as requested by the Governor.

- An increase of $729,740 of which $401,414 is general fund to add an 8-bed Transitional Living Program in the region.

General fund increases total $813,474.

- An increase of $304,380 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $519,930 for the contracted TL residential facility and provider increases.

- The remaining decrease is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

Other funds increased by approximately $108,000 due to projected increases in client and third party collections.

I would be happy to answer any questions about the LRHSC.

Northeast Human Service Center

The NEHSC serves Grand Forks, Nelson, Walsh, and Pembina counties. The NEHSC is located in Grand Forks with a satellite office in Grafton and an outreach site in Cavalier.

Caseload/Customer Base

- 3,356 clients were served, excluding Vocational Rehabilitation Services (VR), at the NEHSC in State Fiscal Year (SFY) 2012, 2,602 adults and 754 children.

- 725 clients received VR Services.

- The population of the region is approximately 88,029. This represents 13.2 percent of the state's population. 12.5 percent of the state's children, nearly 17,561, reside in this region.

- NEHSC is experiencing an increase in admissions and services to individuals age 60 and older, 18 percent increase since 2010.

- From October 2011 through September 2012 the region received 1,554 reports of Suspected Child Abuse and Neglect as compared to 1,353 reports in the prior federal fiscal year, a 15 percent increase.

Program Trends/Major Program Changes

- The NEHSC has three fully licensed psychologists despite a history of difficulty recruiting and retaining psychologists. We have also filled all positions for community home counselors, and mental health clinicians.

- In addiction services, NEHSC continues to see an increased abuse of prescription medication, methamphetamine and heroin, more IV users including pregnant women, a need for longer residential

stays, and an increase in clients from County Social Services and the Department of Corrections and Rehabilitation who require additional case management and more frequent involuntary commitments. We are seeing more transient and homeless clients, often with dual diagnosis issues.

- NEHSC addiction services noticed a significant increase in the use of synthetic marijuana, which is undetectable by traditional drug screening. A number of clients had their treatment impacted by this undetected continued use.

- We are seeing an increase in clients accessing our services through our Grafton satellite clinic.

- Referrals for early intervention services, children 0-3 years of age continue to increase. Referrals are coming from hospitals, clinics, Early Head Start, and parental referrals.

- In adult Developmental Disabilities services, the NEHSC is seeing a trend of many clients aging in their own homes. These clients are living into their 70s and 80s. As they grow older, their need for assistance and supervision increases.

- The NEHSC continues to work with many families whose children or young adults have been diagnosed with Autism and have been working with families to access the autism waiver in North Dakota.

- NEHSC is currently working with 12 different licensed developmental disabilities provider agencies to meet the needs of developmentally disabled individuals in the region.

- Ruth Meiers Adolescent Psychiatric Residential Treatment Facility continues to serve adolescents from across North Dakota that are experiencing serious mental health issues. Trends impacting the delivery of services include a steady increase in the number of referrals where the adolescents are more aggressive and assaultive and those that have significant cognitive impairments.

- Children and Family Services have noted a decrease of child care providers. Some of this decrease is because the school system operates their own after-school program which does not require licensing. In the past, the YMCA provided this service and they were licensed. The NEHSC, however, has noted a trend of longer term providers retiring, and there are fewer coming into the field of child care.

- NEHSC has also noted a decrease in the number of foster care homes. This is despite a very active recruitment effort.

- The NEHSC has been working with Network for the Improvement of Addiction Treatment (NIATx) to improve services to clients. This process looks at evaluating services and using a rapid change cycle in the delivery of services. We have focused on reducing wait time, increased customer satisfaction, and efficiency. We also have been working on a risk of suicide protocol to more effectively react to those situations.

Overview of Budget Changes – Northeast Human Service Center

Description	2011 - 2013 Budget	2013 – 2015 Budget	Increase / Decrease
HSCs / Institutions	26,677,328	27,882,775	1,205,447
General Fund	12,366,839	13,744,433	1,377,594
Federal Funds	12,540,280	12,183,785	(356,495)
Other Funds	1,770,209	1,954,557	184,348
Total	26,677,328	27,882,775	1,205,447

FTE	138.50	138.50	0

Salary and benefits increased by $996,374 and can be attributed to the following:

- $452,942 in total funds, of which $301,215 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $500,741 in total funds, of which $298,771 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $151,897 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $266,495 to underfund the 2013–2015 pay plan, all general fund.

- Temporary salaries are increased by $43,359 to meet staffing needs in the Ruth Meiers Psychiatric Residential Treatment Facility

and a part-time temporary case aide for adults with serious mental illness.

- The remaining increase of $113,930 is a combination of increases and decreases needed to sustain the salary and benefits of the 138.5 FTEs in this area of the budget.

The Operating budget decreased by $782 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $32,194 in NEHSC's travel budget. DOT Motor Pool rates for 2013-2015 biennium increased by 27 percent for state cars and 22 percent for mini-vans.

- A decrease of $31,512 in Fees – Professional Services, primarily due to a reduction in the number of foster grandparents in the Foster Grandparent Program.

- A small increase, $2,462, in the budget for office rental, less than one percent. There are no changes in any of Northeast's office lease rates or space leased for the 2013-2015 biennium.

- IT Communications decrease of $6,789, approximately a 3 percent reduction.

The Grants portion of the budget includes a net increase of $209,855. This includes an increase of $303,275 of which $214,156 is general fund to cover inflationary increases of 4 percent each year for the contracted

providers. An increase of $73,796 for the cost to continue the second year of the provider increases that were given in the current biennium. These increases were offset by decreases in detoxification services and nurturing parent services.

The general fund request increased by $1,377,594.

- An increase of $599,986 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.
- An increase of $214,156 for the contracted provider increases.
- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

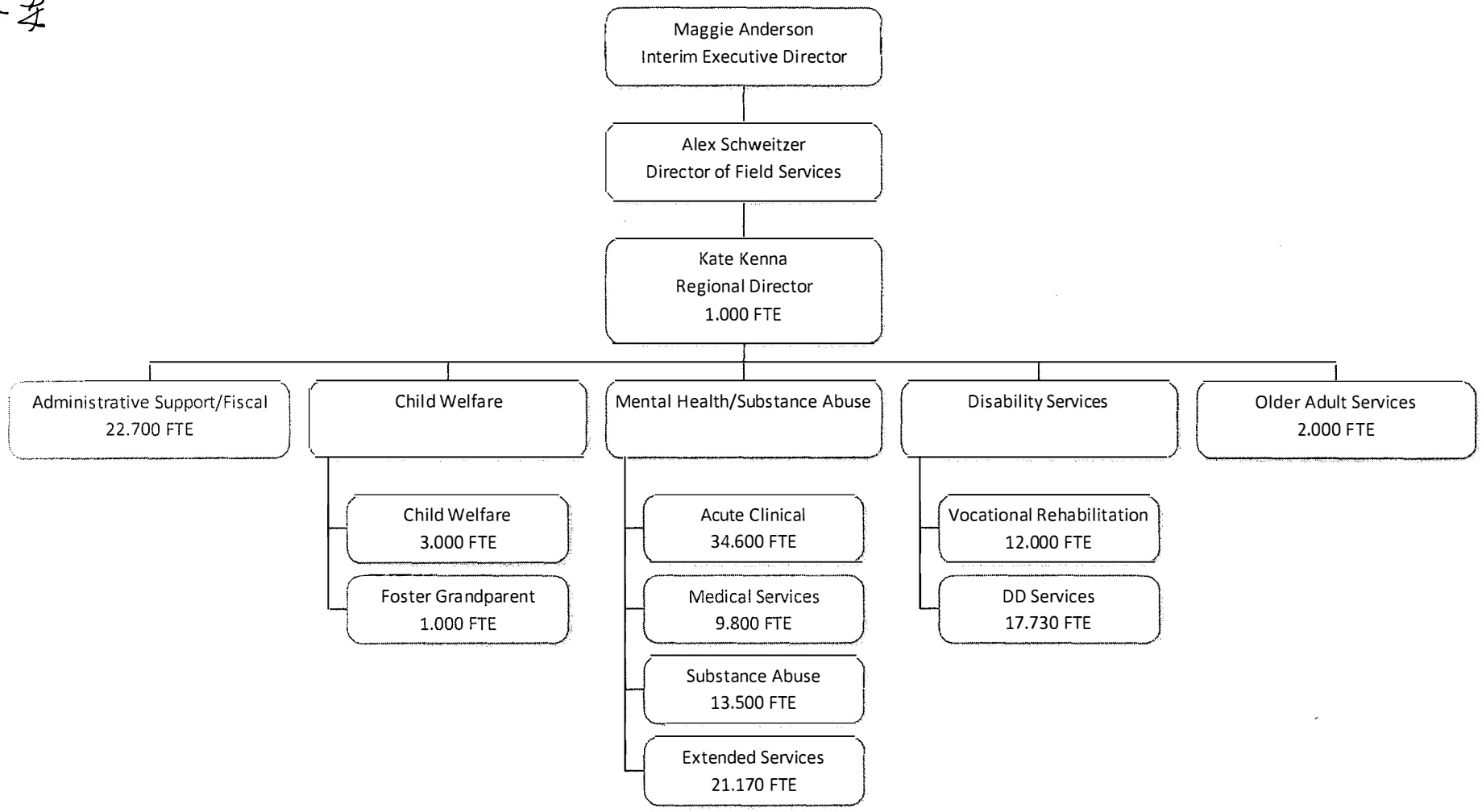
NEHSC is projecting an $184,348 increase in other funding, primarily from client and third party collections.

I would be happy to answer any questions about the NEHSC.

HB 1012
1/28/2013 PM
Attachment #2

ND Department of Human Services

Northeast Human Service Center
Functional Organizational Chart
138.500 FTE



HB 1012
1/28/2013
Attachment #7

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-74 NORTHEAST HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	138.300	138.500	0.000	0.000	0.000	138.500
32570	B	511000	Salaries - Permanent	11,611,405	12,707,596	6,125,114	362,010	0	13,069,606
32570	B	512000	Salaries-Other	19,630	19,440	9,804	98	0	19,538
32570	B	513000	Temporary Salaries	300,307	422,721	178,250	43,359	0	466,080
32570	B	514000	Overtime	85,439	79,433	48,145	5,575	0	85,008
32570	B	516000	Fringe Benefits	4,739,166	5,259,176	2,549,315	246,988	0	5,506,164
32570	B	519100	Reduction in Salary - Budget	0	(151,897)	0	(114,598)	0	(266,495)
32570	B	521000	Travel	441,763	504,612	240,434	32,194	0	536,806
32570	B	531000	Supplies - IT Software	16,299	11,000	7,043	1,805	0	12,805
32570	B	532000	Supply/Material-Professional	53,658	23,713	12,690	338	0	24,051
32570	B	533000	Food and Clothing	91,450	105,241	55,970	0	0	105,241
32570	B	534000	Bldg, Grounds, Vehicle Supply	39,470	25,292	22,010	(1,350)	0	23,942
32570	B	535000	Miscellaneous Supplies	33,682	30,772	16,446	0	0	30,772
32570	B	536000	Office Supplies	86,153	54,585	26,088	0	0	54,585
32570	B	541000	Postage	36,286	39,835	19,675	0	0	39,835
32570	B	542000	Printing	18,880	14,650	7,432	0	0	14,650
32570	B	552000	Other Equip under $5,000	0	2,400	2,352	0	0	2,400
32570	B	553000	Office Equip & Furniture-Under	96,317	23,805	23,805	(9,375)	0	14,430
32570	B	561000	Utilities	35,820	42,950	17,477	0	0	42,950
32570	B	571000	Insurance	1,158	800	302	0	0	800
32570	B	581000	Rentals/Leases-Equip & Other	5,520	5,338	2,413	0	0	5,338
32570	B	582000	Rentals/Leases - Bldg/Land	1,296,798	1,285,712	647,210	2,462	0	1,288,174
32570	B	591000	Repairs	80,574	49,264	26,620	0	0	49,264
32570	B	599161	Health Increase	0	0	0	0	317,150	317,150
32570	B	599162	Retirement Increase	0	0	0	0	135,792	135,792
32570	B	601000	IT - Data Processing	0	71	0	0	0	71
32570	B	602000	IT-Communications	197,782	202,413	98,433	(6,789)	0	195,624
32570	B	603000	IT Contractual Services and Re	138	0	0	0	0	0
32570	B	611000	Professional Development	17,229	31,590	12,364	0	0	31,590
32570	B	621000	Operating Fees and Services	166,753	251,504	95,281	11,445	0	262,949
32570	B	623000	Fees - Professional Services	344,630	389,903	160,711	(31,512)	0	358,391
32570	B	625000	Medical, Dental and Optical	27,929	33,693	12,854	0	0	33,693

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-74 NORTHEAST HSC							
32570 B	712000 Grants, Benefits & Claims	4,375,616	5,211,716	2,127,364	209,855	0	5,421,571
	Subtotal:	24,219,852	26,677,328	12,545,602	752,505	452,942	27,882,775
32570 F	F_7091 HSCs & Institutions - Gen Fund	10,071,681	12,366,839	5,819,060	1,076,379	301,215	13,744,433
32570 F	F_7092 HSCs & Institutions - Fed Fnds	12,260,881	12,540,280	6,203,016	(508,222)	151,727	12,183,785
32570 F	F_7093 HSCs & Institutions - Oth Fnds	1,887,290	1,770,209	523,526	184,348	0	1,954,557
	Subtotal:	24,219,852	26,677,328	12,545,602	752,505	452,942	27,882,775
	Subdivision Budget Total:	24,219,852	26,677,328	12,545,602	752,505	452,942	27,882,775
	General Funds:	10,071,681	12,366,839	5,819,060	1,076,379	301,215	13,744,433
	Federal Funds:	12,260,881	12,540,280	6,203,016	(508,222)	151,727	12,183,785
410-74 NORTHEAST HSC	**Other Funds:**	1,887,290	1,770,209	523,526	184,348	0	1,954,557
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	24,219,852	26,677,328	12,545,602	752,505	452,942	27,882,775

Northeast HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	13.15	1,028,952	505,617	523,335
State Fleet Parking spaces	$ 35 per space per month	21,390	18,013	3,377
Storage Space	5.10	6,712	5,652	1,060
Ruth Meiers PRTF Rent	11.04	206,400	87,926	118,474
Outreach Office - Cavalier		9,120	1,491	7,629
Cornerstone Recovery Residential		15,600	15,600	0
Total Rentals & Leases Budget Account Code		**1,288,174**	**634,299**	**653,875**

Northeast HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Bus Transportation and Gas Vouchers for clients	13,031	6,385	6,646
Cable Television at Transitional Living Home, Ruth Meiers PRTF	3,968	1,944	2,024
Flexible Funding - Partnership Children, Part C Children & Client Assista	20,344	9,969	10,375
Freight Costs for Purchased Goods	1,064	521	543
Job Announcements and Yearly Civil Rights Legal Notices	14,042	6,881	7,161
Flexible Funding - Homeless clients	8,075	0	8,075
Respite Care for Families	47,587	0	47,587
Staff Licenses	14,280	6,997	7,283
Service Awards	8,906	4,364	4,542
Wrap Around Funds	33,696	10,000	23,696
Telephone Directory/Yellowbook Listings	5,963	2,922	3,041
Background Checks/Academic Clearing House	2,924	1,433	1,491
Document Management Services	2,505	1,227	1,278
Allowances/Behavioral Rewards for residents of Ruth Meiers PRTF	8,947	4,384	4,563
Activity fees for clients in our residential facilities	16,945	8,303	8,642
Essential Learning Training Service for staff of the Ruth Meiers PRTF	4,482	2,196	2,286
Crisis Line Answering Service	3,060	1,499	1,561
Purchase of Services - Mentoring Services - Partnership	13,130	6,434	6,696
Flexible Funding - Transition to Independence	40,000	40,000	0
Total Operating Fees & Services Budget Account Code	**262,949**	**115,460**	**147,489**

Northeast HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
DD Services	General Fund	3,420	3,420	0
Experienced Parent-- $ 78,420	Federal Funds	75,000	75,000	0
		78,420	78,420	0
Care Coordination	General Fund	43,435	60,433	16,998
Mentoring/Tracking/Visitation -- $58,373	Federal Funds	173,113	164,489	(8,624)
School Social Workers/Care Coord - $ 153,773		216,548	224,922	8,374
Provider Inflation-- $ 12,776				
Crisis Care / Safe Beds	General Fund	646,253	315,581	(330,672)
Crisis Beds-- SMI Adult $ 661,949	Federal Funds	3,306	383,052	379,746
Provider Inflation-- $ 39,864	Special Funds	2,697	3,180	483
		652,256	701,813	49,557
Detoxification	General Fund	159,708		(159,708)
Social Detox	Federal Funds	0		0
	Special Funds	0		0
		159,708	0	(159,708)
Recovery Centers	General Fund	303,180	326,145	22,965
Recovery Centers -- $ 257,685	Federal Funds	0	0	0
Peer Support -- $ 50,000		303,180	326,145	22,965
Provider Inflation-- $ 18,460				

Northeast HSC - 2013-15 Biennium Budget

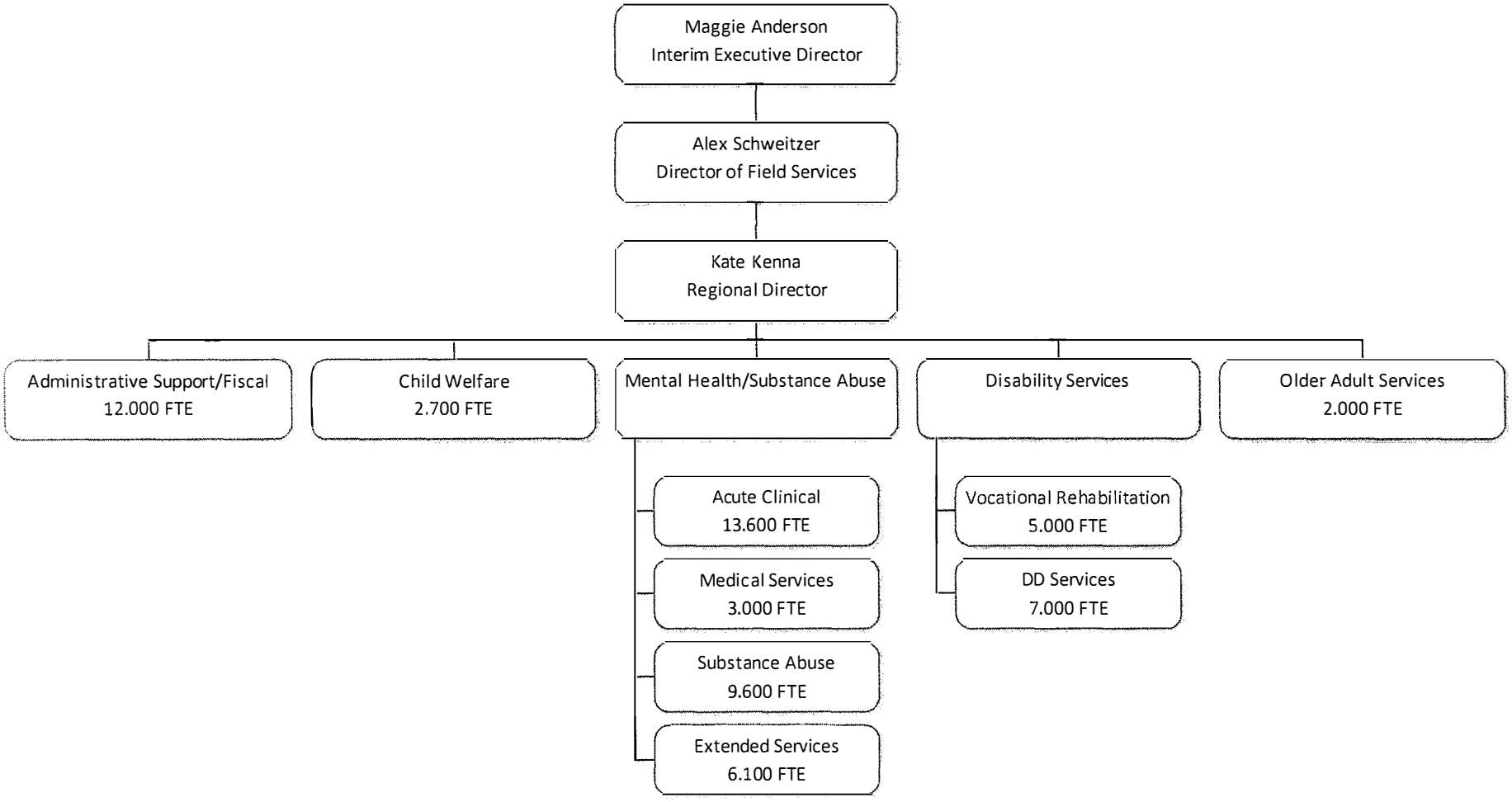
Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Psychiatric / Psychological / Medical Services	General Fund	50,575	104,733	54,158
Psychiatric Services-- Altru Hospital $ 65,232	Federal Funds	88,654	37,326	(51,328)
Nursing Services -- Centre, Inc. $ 87,232	Special Funds	11,003	19,557	8,554
Provider Inflation-- $ 9,152		150,232	161,616	11,384
Residential Services	General Fund	2,387,611	2,609,967	222,356
CD Residential Adult -- $ 810,711	Federal Funds	1,263,001	1,317,880	54,879
SMI Residential-- Prairie Harvest MH $ 1,399,765	Special Funds	760	808	48
SMI Long-term Residential -- PHMH - Harvest Homes $ 468,360		3,651,372	3,928,655	277,283
SMI Transitional Living-- Prairie Harvest MH - Siewert Plains $ 642,895				
SMI Long-term Residential -- Prairie Harvest MH - Sturn Place $ 76,800				
CD Residential Women & Children Specific - Growing Together, Inc. $ 307,101				
Provider Inflation-- $ 223,023				
TOTAL GRANTS		**5,211,716**	**5,421,571**	**209,855**

HB 1012
1/28/2013 PM
Attachment #8

ND Department of Human Services

Lake Region Human Service Center
Functional Organizational Chart
61.000 FTE



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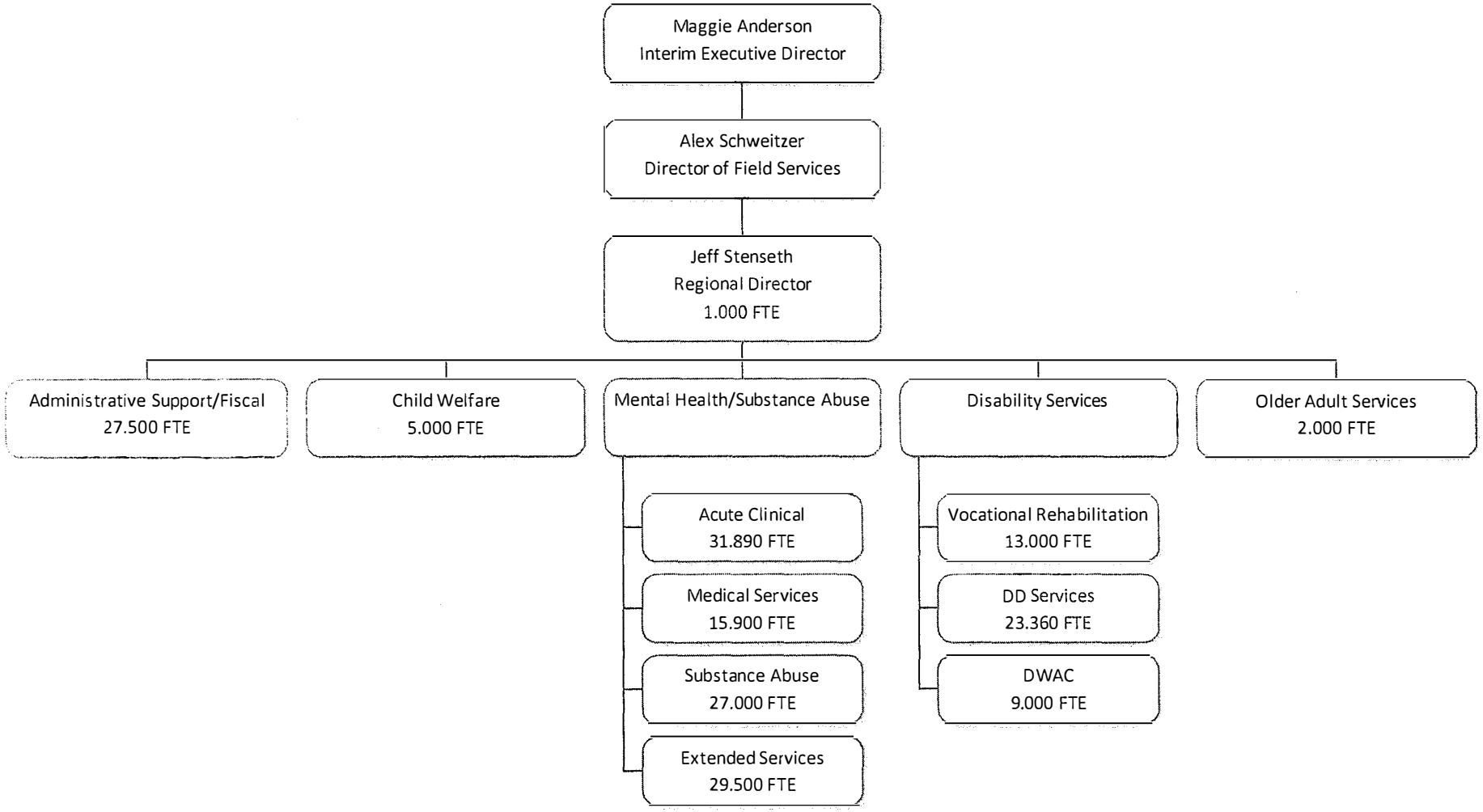
HB 1012
1/28/2013 PM
Attachment #6

ND Department of Human Services

Southeast Human Service Center
Functional Organizational Chart
185.150 FTE



1/15/2013

HB 1012
1/28/2013 PM
Attachment #10

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee - Human Resources Division, I am Jeff Stenseth, Director of Southeast Human Service Center (SEHSC) and South Central Human Service Center (SCHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

Southeast Human Service Center

SEHSC provides services to the six counties of Steele, Traill, Cass, Ransom, Sargent, and Richland counties. SEHSC provides outreach services for mental health and substance abuse services in Wahpeton, Lisbon, Hillsboro, and Mayville and provides case management services to rural areas as needed.

Caseload/Customer Base

- 4,949 clients (3,848 adults and 1,101 children) were served, excluding Vocational Rehabilitation Services (VR), at the SEHSC in State Fiscal Year (SFY) 2012.

- 1,135 clients received VR services during SFY 2012.

- The Developmental Disabilities Program caseload has continued to grow and now totals 1,295.

- The region is comprised of 187,911 residents (27.5 percent of the state's population) according to the U.S. Census Bureau 2011 estimate.

- According to the latest Homeless Population Point in Time Survey (January 2012), the region has 56 percent (128 individuals) of the state's long-term homeless population.

- There are between 300-350 children in foster homes in the region during a year, which mirrors the state trend of minimally declining numbers.

Program Trends/Major Program Changes

- The SEHSC accounted for 20 percent of all admissions to the North Dakota State Hospital (NDSH) in SFY 2012. This is a decrease of 13 percent from SFY 2010. This decrease was due in part to improved partnerships with Prairie St. John's for contracted inpatient care and Dacotah Foundation for contracted residential care, and SEHSC's improved access to case management and addiction treatment services.

- Prairie St. John's has become the primary provider of inpatient psychiatric and substance abuse services for indigent adults, children, and adolescents in the region.

- SEHSC continues to partner with the jail, law enforcement, the courts, and probation and parole to provide services to clients with mental illness and substance abuse from the local correctional system.

- DHS is piloting a Mobile Crisis Team in the SEHSC region in a public/private partnership between the Department and Solutions Inc., to address crisis intervention needs in the region.

- DHS is contracting with Clay County's medical detoxification center to provide medical detoxification services to the SEHSC region.

- SEHSC is seeing an increased demand for case management services for individuals with serious mental illness or who are dual diagnosed, with both serious mental illness and chemical dependency. The SEHSC provides these services for individuals who most likely would access higher levels of care such as hospitalization, or experience repeated law enforcement encounters, need social detox and/or pose a harm to themselves or others. Individuals who receive case management services require multiple services and generally more intensive services.

- SEHSC contracts for crisis beds for children with severe emotional disorders and crisis/social detox beds for adolescents with substance abuse issues. Outcomes in this area have been very positive with increased school attendance, reduction in substance use, and successful reintegration into the parental home.

- The demand for addiction treatment services for adults in our region continues to grow. During this biennium, the SEHSC 15-bed crisis residential unit and eight-bed residential units at Dakota Pioneer have consistently remained full. The SEHSC also has started to phase in the new contracted 15-bed addiction residential facility funded in the last legislative session.

- SEHSC continues to see a high demand for adult psychiatry services which is creating longer wait times for entry into that service.

- In order to serve a larger number of adult addiction treatment clients in a more efficient manner, this past June, SEHSC started to provide a majority of its outpatient addiction treatment services in a Treatment Mall format.

- On June 1, 2012, SEHSC also implemented a Centralized Intake Pilot Project with the goals of reducing wait time for intake appointments, reducing wait time for follow-up appointments and for completing a more comprehensive diagnostic assessment process with clients. Within these first six months, we have successfully reduced both wait time indexes by over 50 percent and are consistently producing a more comprehensive diagnostic assessment which aids in meeting all the clients treatment needs.

- The SEHSC has fully implemented the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes

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.

- In conjunction with the University of North Dakota Medical School, SEHSC continues to provide a psychiatric residency training site for a number of doctors each year and to operate an American Psychological Association (APA) approved internship site for psychologists. We believe this will assist in our recruitment efforts of psychiatrists and psychologists for the region and DHS.

- Fargo-Moorhead continues to have a culturally diverse population which requires interpreters and other special services from the SEHSC.

Overview of Budget Changes – Southeast Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
HSCs/Institutions	34,746,335	39,030,472	4,284,137
General Fund	18,343,446	23,348,246	5,004,800
Federal Funds	15,227,364	14,459,843	(767,521)
Other Funds	1,175,525	1,222,383	46,858
Total	34,746,335	39,030,472	4,284,137

FTE	185.15	185.15	-

Budget Changes from Current Budget to Executive Budget

The salary and benefits portion of the budget line increased by $2,466,715, which is primarily attributed to the following:

- $626,753 in total funds of which $446,380 is general fund to fund the Governor's benefit package for health insurance and retirement for state employees.

- $752,268 in total funds of which $493,806 is general fund needed to fund the employee increases approved by the last legislative assembly.

- An increase of $191,179 to cover an underfunding from the 2011–2013 budget, all general fund.

- A decrease of $422,179 to underfund the 2013–2015 pay plan, all general fund.

- An increase of $240,952 to fund two additional FTE for Developmental Disabilities Case Management to maintain the required staff to client ratio, $137,341 is general fund. The Department must find the FTE's within their current authorized FTEs.

- An increase of $222,649, all general fund, to convert four existing temp staff to regular FTEs. These include two in SMI case management and two in the partnership children's mental health program. The Department must find the FTE's within their current authorized FTEs.

- An increase of $14,544 to cover staff for on-call pay for face-to-face hours.

- $55,219 to provide for the annual and sick leave lump sum payouts for seven FTEs expected to retire.

- An increase of $404,896 in total funds of which $399,753 is general fund for 7.5 temporary employees.

- A decrease of $17,519 in the budget for overtime.

- The remaining increase of $397,953 is a combination of increases and decreases needed to sustain the salary of the 185.15 FTEs and temporary employees in this area of the budget.

The operating portion of the budget decreased by $70,631 and is a combination of increases and decreases expected next biennium. The majority of changes in the following areas:

- $24,038 decrease in motor pool costs due to removing the budget for the former Field Services Director position, which is no longer a part of the SEHSC budget.

- An increase of $40,000 in miscellaneous supplies for the TIP for youth.

- Increased rent of $5,898 for the Off Main facility (dual diagnosis mental health/substance abuse).

- A decrease of $21,625 for staff training due to standardizing training costs per staff across the Department.

- A decrease of $62,829 of federal funds, in operating fees, for the Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $1,888,053 primarily based on the following:

- Inflationary increases of 4 percent each year for providers for a total of $400,974, all general fund.

- An increase of $221,149 to continue a 15-bed short term substance abuse residential facility for 24 months at 95 percent occupancy.

- An increase of $1,300,000 for a new 15-bed Transitional living facility for the mentally Ill and chemically dependent (MI/CD) population, $975,000 is general fund.

In summary, the general fund request increased by $5,004,800 with $1,699,829 or 34 percent of that increase is related to salary and fringe benefit increases. The grants portion accounts for $1,563,053 of the increase which is 31 percent of the increase. The remaining increase of $1,741,918 is associated with the decrease in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

I would be happy to answer any questions about the SEHSC.

South Central Human Service Center

- SCHSC provides services to the nine counties of Foster, Wells, Griggs, Barnes, Stutsman, LaMoure, Dickey, McIntosh, and Logan counties. In addition, SCHSC provides services at satellite locations in Valley City, Oakes, Carrington, Cooperstown, Wishek, and Fessenden.

Caseload/Customer Base

- 3,182 clients (2,444 adults and 738 children) were served, excluding Vocational Rehabilitation Services (VR), at the SCHSC in State Fiscal Year (SFY) 2012.

- 620 clients received VR services during SFY 2012.

- The population of the region is approximately 56,244 residents. This represents 8.2 percent of the state's population according to the U.S. Census Bureau 2011 estimate.

- Citizens age 65 and older comprised 25 percent of the total population of the region. The south central region has the oldest average age in the state.

- In the child welfare area, the region has experienced an increase in the number of child protection service assessments done in response to reports of child abuse and neglect. There were 501 completed in CY 2010 and 557 in CY 2011.

Program Trends/Major Program Changes

- SCHSC accounted for 36 percent of the total admissions to the North Dakota State Hospital (NDSH) in FY 2012. As this region has no private inpatient mental health treatment facility, the NDSH is utilized for acute inpatient needs, as well as for longer term hospitalization needs. Individuals from the region also access out-of-region private psychiatric hospitals.

- The increasing senior population in the region as Baby Boomers age has implications for both the caregiver program and adult abuse and neglect reporting and interventions.

- SCHSC is seeing an increase in emergent intervention contacts for clients with serious mental illness and substance abuse in the region. It should be noted, that 42 percent of emergency contacts and screenings received during calendar years 2011 and 2012 occurred after regular business hours at SCHSC.

- The SCHSC medical unit is currently piloting two new practices to increase efficiencies including the Order Connect software and the Tele-pharmacy Initiative in collaboration with the North Dakota State Hospital.

- SCHSC has the only full-time community psychiatrist.

- SCHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes

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.

- SCHSC has continued to work in community collaboration, with efforts to partner in the development of the IDDT program, leadership for the James River Addiction Training Consortium, active participation in the Jamestown Housing Coalition, and partnering in the community Health and Safety Coalition, all in an effort to improve the lives of the consumers we serve.

- Jamestown currently has an available rental occupancy rate of .75 or less than 1%. Available housing resources for our most vulnerable residents are very limited and are likely to further constrict in the coming months.

- SCHSC continues to have challenges recruiting licensed addiction counselors and licensed medical providers.

Overview of Budget Changes - South Central Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase/ Decrease
HSCs/Institutions	16,470,290	16,793,883	323,593
General Fund	8,860,138	8,980,593	120,455
Federal Funds	6,691,551	6,713,721	22,170
Other Funds	918,601	1,099,569	180,968
Total	16,470,290	16,793,883	323,593

FTE	83.50	83.50	-

Budget Changes from Current Budget to the Executive Budget:

The major changes can be explained as follows:

The salaries and fringe benefits portion of the budget increased by $71,107 which is primarily attributed to the following:

- $268,597 in total funds of which $185,043 is general fund to fund the Governor's benefit package for health insurance and the retirement for state employees.

- $353,385 in total funds of which $244,470 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $142,063 to cover an underfunding from the 2011–2013 budget, all general fund.

- A decrease of $180,411 to underfund the 2013–2015 pay plan, all general fund.

- A decrease of $260,048 from reclassifying a position from a psychiatrist to a certified nurse specialist.

- An increase of $31,073 to cover staff for on-call pay due to paying the staff for face-to-face time.

- An increase of $22,282 to cover the current temporary staff which will include a part-time case manager starting in February of 2013.

- A decrease of $7,448 in overtime.

- $46,603 to provide for the annual and sick leave lump sum payouts for six FTEs expected to retire.

- A decrease of $110,661 caused by long term staff retiring and the replacements hired at a lower salary.

- The remaining decrease of $234,328 in the salaries and fringe benefits portion of the budget is a combination of increases and decreases needed to sustain the salary of the 83.50 FTEs in this area of the budget.

The operating portion of the budget increased by $31,938 and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in operating fees and services of $21,647 consisting of an increase for flexible funding for TIP, an increase in contracted services for Adult Protective Services, and a decrease for Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $220,548, primarily due to inflationary increases of 4 percent each year for providers.

The general fund request increased by $120,455 with 100 percent of that increase related to the Governor's salary package of fringe benefit increases for state employees.

The other funds increased by $180,968 based on a projected increase in collections for services both in self pay and third party insurance payments.

I would be happy to answer any questions about the SCHSC.

HB 1012
1/28/2013
Attachment #1

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-75 SOUTHEAST HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	185.350	185.150	0.000	0.000	0.000	185.150
32570	B	511000	Salaries - Permanent	16,414,779	17,883,464	8,763,127	1,195,292	0	19,078,756
32570	B	513000	Temporary Salaries	988,126	1,244,913	637,091	379,118	0	1,624,031
32570	B	514000	Overtime	30,577	17,519	9,737	(17,519)	0	0
32570	B	516000	Fringe Benefits	6,513,619	7,234,971	3,492,581	514,071	0	7,749,042
32570	B	519100	Reduction in Salary - Budget	0	(191,179)	0	(231,000)	0	(422,179)
32570	B	521000	Travel	457,617	489,876	257,288	(24,038)	0	465,838
32570	B	531000	Supplies - IT Software	25,184	30,383	16,566	0	0	30,383
32570	B	532000	Supply/Material-Professional	38,114	28,589	12,677	(250)	0	28,339
32570	B	533000	Food and Clothing	7,802	8,704	4,680	(190)	0	8,514
32570	B	534000	Bldg, Grounds, Vehicle Supply	23,012	39,874	18,999	(100)	0	39,774
32570	B	535000	Miscellaneous Supplies	44,137	41,134	19,315	39,250	0	80,384
32570	B	536000	Office Supplies	57,802	58,692	29,335	(600)	0	58,092
32570	B	541000	Postage	47,033	45,576	21,060	0	0	45,576
32570	B	542000	Printing	25,078	32,346	14,703	0	0	32,346
32570	B	552000	Other Equip under $5,000	817	11,107	1,702	0	0	11,107
32570	B	553000	Office Equip & Furniture-Under	24,947	22,693	22,693	0	0	22,693
32570	B	561000	Utilities	130,670	164,091	71,191	(828)	0	163,263
32570	B	571000	Insurance	706	736	313	0	0	736
32570	B	581000	Rentals/Leases-Equip & Other	16,994	18,208	9,316	0	0	18,208
32570	B	582000	Rentals/Leases - Bldg/Land	208,248	247,883	109,176	5,898	0	253,781
32570	B	591000	Repairs	261,538	245,353	136,333	(680)	0	244,673
32570	B	599161	Health Increase	0	0	0	0	428,954	428,954
32570	B	599162	Retirement Increase	0	0	0	0	197,799	197,799
32570	B	601000	IT - Data Processing	2,791	3,885	1,851	0	0	3,885
32570	B	602000	IT-Communications	248,974	258,409	123,298	(3,782)	0	254,627
32570	B	611000	Professional Development	54,963	59,872	32,142	(21,625)	0	38,247
32570	B	621000	Operating Fees and Services	181,664	133,736	46,472	(62,177)	0	71,559
32570	B	623000	Fees - Professional Services	61,517	65,581	40,097	(183)	0	65,398
32570	B	625000	Medical, Dental and Optical	19,895	21,665	9,723	0	0	21,665
32570	B	683000	Other Capital Payments	65,499	0	0	0	0	0
32570	B	684000	Extraordinary Repairs	0	35,671	34,331	(1,326)	0	34,345

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-75 SOUTHEAST HSC									
32570	B	691000	Equipment Over $5000	6,000	19,000	0	0	0	19,000
32570	B	712000	Grants, Benefits & Claims	4,328,310	6,473,583	2,595,862	1,888,053	0	8,361,636
			Subtotal:	30,286,413	34,746,335	16,531,659	3,657,384	626,753	39,030,472
32570	F	F_7091	HSCs & Institutions - Gen Fund	15,274,322	18,343,446	8,846,848	4,558,420	446,380	23,348,246
32570	F	F_7092	HSCs & Institutions - Fed Fnds	13,948,978	15,227,364	7,549,001	(947,894)	180,373	14,459,843
32570	F	F_7093	HSCs & Institutions - Oth Fnds	1,063,113	1,175,525	135,810	46,858	0	1,222,383
			Subtotal:	30,286,413	34,746,335	16,531,659	3,657,384	626,753	39,030,472
			Subdivision Budget Total:	30,286,413	34,746,335	16,531,659	3,657,384	626,753	39,030,472
			General Funds:	15,274,322	18,343,446	8,846,848	4,558,420	446,380	23,348,246
			Federal Funds:	13,948,978	15,227,364	7,549,001	(947,894)	180,373	14,459,843
410-75 SOUTHEAST HSC			**Other Funds:**	1,063,113	1,175,525	135,810	46,858	0	1,222,383
			SWAP Funds:	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0
			Subdivision Funding Total:	30,286,413	34,746,335	16,531,659	3,657,384	626,753	39,030,472

Southeast HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	N/A			
Bulding Rent - Off-Main location	12.44	195,869	95,205	100,664
Building Rent - 1401 32nd St S location	13.23	52,380	33,851	18,529
Rent of Rooms for Off Site Meetings		5,532	5,315	217
Total Rentals & Leases Budget Account Code		**253,781**	**134,371**	**119,410**

Southeast HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Background Checks - Staff	564	318	246
Career Fair Sponsor Fee	1,000	213	787
Client Incentive Programs	566	315	251
Drug tests for addiction clients	12,000	6,683	5,317
Film Processing	58	21	37
Freight Costs for Purchased Goods	2,597	2,237	360
Freight fees for Surplus Property Disposal	200	173	27
Job Announcements and Yearly Civil Rights Legal Notices	21,372	18,457	2,915
Flexible Funds - Homeless clients	7,054	7,054	0
Boiler Inspection	80	69	11
Staff ID badges	270	152	118
Special Assessments - Property Taxes	3,244	1,832	1,412
Staff Licenses	12,038	6,798	5,240
Service Awards	10,516	5,939	4,577
Total Operating Fees & Services Budget Account Code	**71,559**	**50,261**	**21,298**

Southeast HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Adult Protective Services	General Fund	$16,390	$22,193	$5,803
Protective services - $96,390	Federal Funds	$80,000	$80,000	$0
Provider Inflation - $5,803		$96,390	$102,193	$5,803
Care Coordination	General Fund	$21,013	$16,918	($4,095)
Wrap Around - $20,150	Federal Funds	$60,672	$69,775	$9,103
West Fargo Public Schools - $67,992	Special Funds	$7,463	$7,822	$359
Transition to Independence - $1,006		$89,148	$94,515	$5,367
Provider Inflation - $5,367				
Case Aide	General Fund	$1,021,084	$1,069,437	$48,353
SMI adult - $801,560	Federal Funds	$715,796	$763,625	$47,829
CD adult - $361,716	Special Funds	$34,168	$44,603	$10,435
Partnership - $123,772		$1,771,048	$1,877,665	$106,617
Supported Employment $484,000				
Provider Inflation - $106,617				
Crisis Care / Safe Beds	General Fund	$323,439	$346,285	$22,846
Partnership Safe Beds - $269,809	Federal Funds	$145,057	$152,620	$7,563
Crisis Beds - $174,528	Special Funds	$22,328	$23,074	$746
Crisis Line - $48,002		$490,824	$521,979	$31,155
Provider Inflation - $29,640				

Southeast HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
DD Services	General Fund		$4,515	$4,515
Experienced Parent - $75,000	Federal Funds	$75,000	$75,000	$0
Provider Inflation - $4,515		$75,000	$79,515	$4,515
Detoxification	General Fund	$10,591	$0	($10,591)
Social Detox. - $0	Federal Funds	$0		$0
		$10,591	$0	($10,591)
Flex Funds - Partnership	General Fund	$12,982	$9,498	($3,484)
Flexible Funds - $44,117	Federal Funds	$26,293	$32,200	$5,907
Provider Inflation - $2,656	Special Funds	$4,842	$5,075	$233
		$44,117	$46,773	$2,656
Recovery Centers	General Fund	$288,127	$305,472	$17,345
Recovery Center - $238,127	Federal Funds			$0
Peer Support - $50,000		$288,127	$305,472	$17,345
Provider Inflation - $17,345				
Psychiatric / Psychological / Medical Services	General Fund	$34,038	$38,759	$4,721
Psychiatric Services - $47,046	Federal Funds	$8,914	$7,380	($1,534)
Provider Inflation - $2,832	Special Funds	$4,094	$3,739	($355)
		$47,046	$49,878	$2,832

Southeast HSC - 2013-15 Biennium Budget

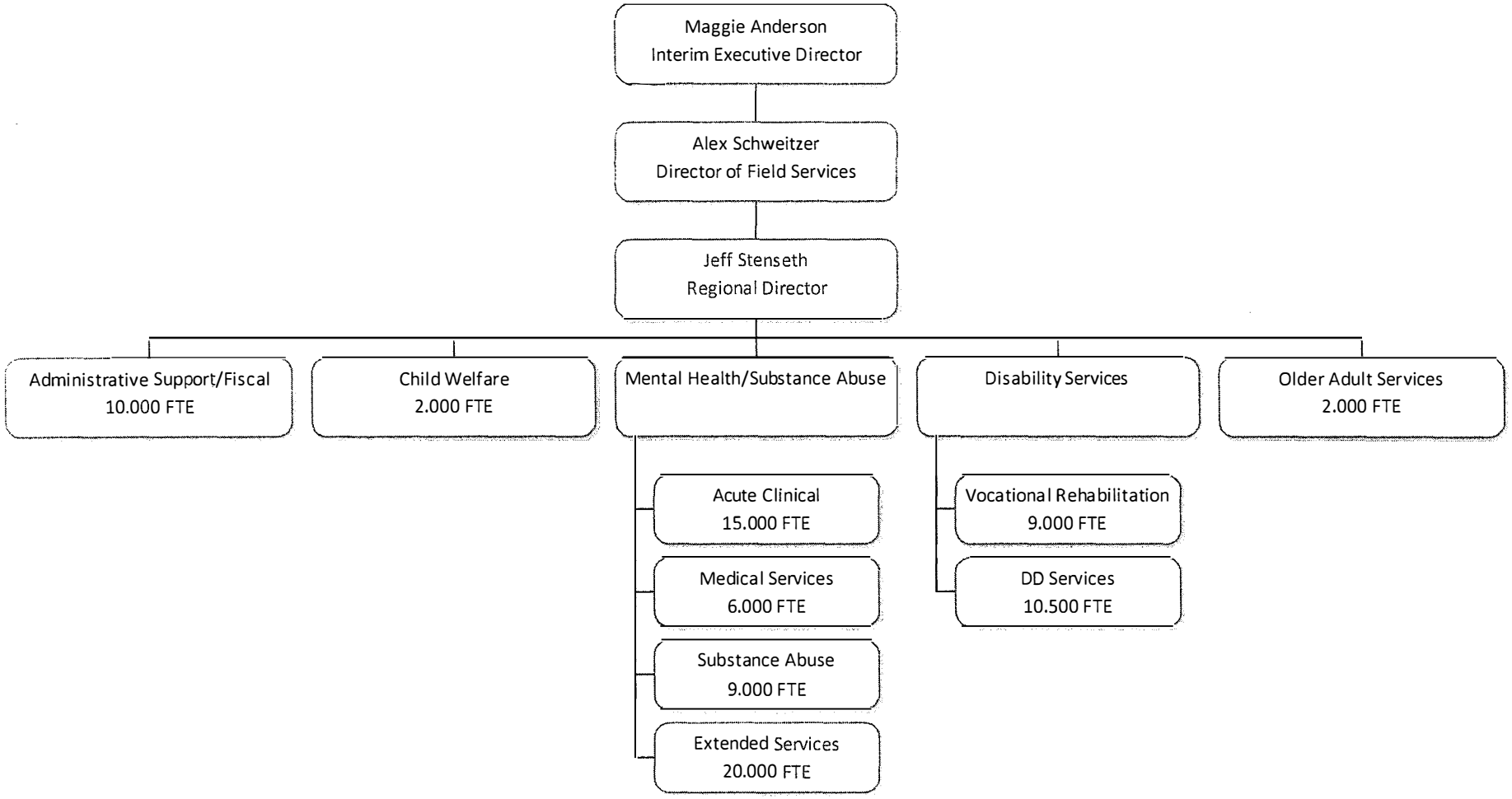
Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services	General Fund	$2,860,690	$4,498,021	$1,637,331
CD Crises Beds - $537,814	Federal Funds	$124,760	$175,942	$51,182
SMI Crises Beds - $432,794	Special Funds	$36,788	$38,178	$1,390
Supportive Living - $145,924		$3,022,238	$4,712,141	$1,689,903
Cooper House - $484,526				
New Life Center - $10,000				
8 bed CD - $447,027				
15 Bed CD facility - $1,160,308				
15 Bed MI/CD Transtional Living Facility - $1,300,000				
Provider Inflation - $193,748				
Respite Care	General Fund	$220,546	$233,823	$13,277
Respite Care - $220,546	Federal Funds		$0	$0
Provider Inflation - $13,277		$220,546	$233,823	$13,277
Substance Abuse Treatment and Prevention	General Fund	$170,862	$196,559	$25,697
Drug Court Contract - $318,508	Federal Funds	$137,567	$130,297	($7,270)
Provider Inflation - $19,174	Special Funds	$10,079	$10,826	$747
		$318,508	$337,682	$19,174
TOTAL GRANTS		**6,473,583**	**8,361,636**	**1,888,053**

HB 1012
1/28/2013 PM
Attachment #12

ND Department of Human Services

South Central Human Service Center
Functional Organizational Chart
83.500 FTE



1/15/2013

HB 1012
1/28/2013 PM
Attachment #(1)

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-76 SOUTH CENTRAL HSC								
S101		FULL-TIME EQUIVALENTS (FTEs)	85.500	83.500	0.000	0.000	0.000	83.500
32570	B	511000 Salaries - Permanent	7,451,146	8,323,799	3,820,145	(216,627)	0	8,107,172
32570	B	512000 Salaries-Other	6,852	9,079	3,483	31,073	0	40,152
32570	B	513000 Temporary Salaries	121,954	154,237	39,961	22,282	0	176,519
32570	B	514000 Overtime	4,510	7,448	3,783	(7,448)	0	0
32570	B	516000 Fringe Benefits	2,952,413	3,270,198	1,550,270	11,578	0	3,281,776
32570	B	519100 Reduction in Salary - Budget	0	(142,063)	0	(38,348)	0	(180,411)
32570	B	521000 Travel	211,670	263,944	124,539	0	0	263,944
32570	B	531000 Supplies - IT Software	5,394	6,900	1,588	0	0	6,900
32570	B	532000 Supply/Material-Professional	20,995	33,960	7,200	0	0	33,960
32570	B	533000 Food and Clothing	28,085	31,400	14,390	0	0	31,400
32570	B	534000 Bldg, Grounds, Vehicle Supply	13,896	19,881	4,680	0	0	19,881
32570	B	535000 Miscellaneous Supplies	1,341	3,250	883	0	0	3,250
32570	B	536000 Office Supplies	20,217	24,150	5,736	900	0	25,050
32570	B	541000 Postage	29,643	39,727	14,240	0	0	39,727
32570	B	542000 Printing	13,461	10,750	6,010	0	0	10,750
32570	B	553000 Office Equip & Furniture-Under	36,302	12,000	264	0	0	12,000
32570	B	561000 Utilities	586	0	0	0	0	0
32570	B	581000 Rentals/Leases-Equip & Other	1,292	132	55	0	0	132
32570	B	582000 Rentals/Leases - Bldg/Land	761,775	668,416	366,011	4,705	0	673,121
32570	B	591000 Repairs	10,141	17,775	4,282	0	0	17,775
32570	B	599161 Health Increase	0	0	0	0	184,817	184,817
32570	B	599162 Retirement Increase	0	0	0	0	83,780	83,780
32570	B	602000 IT-Communications	110,517	115,425	53,143	4,080	0	119,505
32570	B	611000 Professional Development	7,418	12,336	5,345	556	0	12,892
32570	B	621000 Operating Fees and Services	51,950	97,474	16,536	21,697	0	119,171
32570	B	623000 Fees - Professional Services	360	650	350	0	0	650
32570	B	625000 Medical, Dental and Optical	3,877	3,000	2,089	0	0	3,000
32570	B	691000 Equipment Over $5000	8,150	0	0	0	0	0
32570	B	712000 Grants, Benefits & Claims	3,082,586	3,486,422	1,756,519	220,548	0	3,706,970
		Subtotal:	14,956,531	16,470,290	7,801,502	54,996	268,597	16,793,883

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-76 SOUTH CENTRAL HSC								
32570	F	F_7091 HSCs & Institutions - Gen Fund	7,706,773	8,860,138	4,017,039	(64,588)	185,043	8,980,593
32570	F	F_7092 HSCs & Institutions - Fed Fnds	6,486,752	6,691,551	3,413,078	(61,384)	83,554	6,713,721
32570	F	F_7093 HSCs & Institutions - Oth Fnds	763,006	918,601	371,385	180,968	0	1,099,569
		Subtotal:	14,956,531	16,470,290	7,801,502	54,996	268,597	16,793,883
		Subdivision Budget Total:	14,956,531	16,470,290	7,801,502	54,996	268,597	16,793,883
		General Funds:	7,706,773	8,860,138	4,017,039	(64,588)	185,043	8,980,593
		Federal Funds:	6,486,752	6,691,551	3,413,078	(61,384)	83,554	6,713,721
410-76 SOUTH CENTRAL HSC		**Other Funds:**	763,006	918,601	371,385	180,968	0	1,099,569
		SWAP Funds:	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0
		Subdivision Funding Total:	14,956,531	16,470,290	7,801,502	54,996	268,597	16,793,883

South Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	11.46	602,799	329,146	273,653
Human Service Center Garage Rent	5.00	22,322	12,189	10,133
Transitional Living Facility Rent		48,000		48,000
Total Rentals & Leases Budget Account Code		**673,121**	**341,335**	**331,786**

South Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Bus Transportation and Gas Vouchers for clients	11,651	6,013	5,638
Background checks employee	113	61	52
Client Record Requests to Other Agencies	775	423	352
Document Management Services	1,528	834	694
Immunizations for Staff	540	295	245
Flexible Funds - Partnership Children and Part C Children	4,125	1,872	2,253
Freight Costs for Purchased Goods	3,250	2,672	578
Freight Fee for Surplus Property Disposal	830	683	147
Job Announcements and Yearly Civil Rights Legal Notices	13,000	7,099	5,901
Notary License Fee	72	59	13
Contracts for Vulnerable Adult Services	16,070	0	16,070
Flexible Funds - Transition to Independence	40,000	40,000	0
Flexible Funds - Homeless clients	8,000	8,000	0
Respite Care for Families	5,000	5,000	0
Workers Comp Payment	250	206	44
Staff Licenses	6,000	3,276	2,724
Service Awards	7,967	4,350	3,617
Total Operating Fees & Services Budget Account Code	**119,171**	**80,843**	**38,328**

South Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Case Aide	General Fund	6,693	31,626	24,933
Partnership - $14,251	Federal Funds	7,558	14,809	7,251
SMI-Adult - $30,000	Special Funds	0	480	480
Provider Inflation - $2,664		14,251	46,915	32,664
DD Services	General Fund		2,107	2,107
Experienced Parent - $35,000	Federal Funds	35,000	35,000	0
Provider Inflation - $2,107		35,000	37,107	2,107
Recovery Centers	General Fund	272,905	315,839	42,934
Recovery Center - $247,905	Federal Funds	0	0	0
Peer Support - $50,000		272,905	315,839	42,934
Provider Inflation - $17,934				
Residential Services	General Fund	1,970,442	1,921,301	(49,141)
Social Detox - $38,456	Federal Funds	1,183,539	1,363,263	179,724
CD Crises - $643,772	Special Funds	5,058	17,003	11,945
SMI Crisis - $376,683		3,159,039	3,301,567	142,528
SMI Transitional Living -				
Semi-Structured - $1,060,638				
TL facility - 14 bed - $994,550				
Provider Inflation - $187,468				

South Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Respite Care	General Fund	5,227	5,542	315
Respite Care - $5,227		5,227	5,542	315
Provider Inflation - $315				
TOTAL GRANTS		**3,486,422**	**3,706,970**	**220,548**

HB 1012
1/28/2013
Attachment #7

ANALYSIS OF STATE TRUST FUNDS REFLECTING THE 2013-15 EXECUTIVE BUDGET RECOMMENDATIONS

Prepared by the
North Dakota Legislative Council Staff
January 2013

INDEX

Description	Page No.
Bonding Fund	1
Budget Stabilization Fund	2
Capitol Building Fund	3
Centers of Excellence Fund	4
Centers of Research Excellence Fund	5
Coal Development Trust Fund	7
Common Schools Trust Fund	8
Community Health Trust Fund	11
Electronic Health Information Exchange Fund	15
Environment and Rangeland Protection Fund	16
Fire and Tornado Fund	18
Foundation Aid Stabilization Fund	19
Health Care Trust Fund	20
Health Information Technology Loan Fund	21
Health Information Technology Planning Loan Fund	22
Legacy Fund	24
Lignite Research Fund	25
Property Tax Relief Sustainability Fund	27
Resources Trust Fund	28
Risk Management Fund	30
Senior Citizen Services and Programs Fund	31
State Aid Distribution Fund	33
State Disaster Relief Fund	35
Strategic Investment and Improvements Fund	39
Student Loan Trust Fund	41
Tobacco Prevention and Control Trust Fund	43
Tobacco Settlement Trust Fund	45
Tuition Fund	48
Veterans' Postwar Trust Fund	50
Water Development Trust Fund	53

ANALYSIS OF THE BONDING FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$2,802,006		$2,968,921
Add revenues				
Investment income	$300,000		$300,000	
State bonding fund claims collections	55,000		50,000	
Game and fish bonds	6,400		7,000	
Total revenues		361,400		357,000
Total available		$3,163,406		$3,325,921
Less expenditures and transfers				
Claim liabilities/payments/write-offs	$135,000		$150,000	
Claims-related expenses	10,000		20,000	
Investment expense	9,500		10,000	
Administration	39,985		45,199	
Total expenditures and transfers		194,485		225,199
Ending balance		$2,968,921		$3,100,722

FUND HISTORY

The state bonding fund was created in 1915 and is maintained for bond coverage of public employees. The state bonding fund is managed by the Insurance Commissioner, and the amount of coverage provided to each state agency, department, industry, and institution is determined by the commissioner based upon the amount of money and property handled and the opportunity for default. North Dakota Century Code Section 26.1-21-09 provides that premiums for bond coverage are to be determined by the Insurance Commissioner but can be waived if the state bonding fund's balance is in excess of $2 million. No premium has been charged, possibly since 1953, because the bonding fund's balance has exceeded the minimum level established by the Legislative Assembly.

ANALYSIS OF THE BUDGET STABILIZATION FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$386,351,110		$454,686,338
Add estimated revenues				
Investment income	$16,134,104[1]		$0[4]	
Transfer from general fund	52,201,124[2]		0	
Total estimated revenues		68,335,228		0
Total available		$454,686,338		$454,686,338
Less estimated expenditures and transfers				
None				
Total estimated expenditures and transfers		0[3]		0[3]
Estimated ending balance		$454,686,338		$454,686,338

[1]The Legislative Assembly in the November 2011 special session increased general fund appropriations for the 2011-13 biennium by $169,832,688 from $4,066,853,792 to $4,236,686,460 resulting in a $16.1 million increase in the maximum balance allowed in the budget stabilization fund. Therefore, interest and investment earnings of the fund will be retained in the fund until the cap is reached.

[2]North Dakota Century Code Chapter 54-27.2 provides any amount in the general fund at the end of a biennium in excess of $65 million must be transferred to the budget stabilization fund except that the balance in the budget stabilization fund may not exceed 9.5 percent of the general fund budget approved by the most recently adjourned Legislative Assembly. The amount shown is based on the executive budget estimate of a June 30, 2013, general fund balance of $121,183,167 after other recommended transfers to the highway fund, housing incentive fund, and property tax relief sustainability fund and the recommended 2013-15 biennium general fund appropriations of $4,786,171,981; therefore, the maximum balance in the fund is limited to $454,686,338.

[3]No transfers from the budget stabilization fund are anticipated.

[4]Interest earned on the fund is deposited in the general fund because the balance in the fund is at the maximum allowed under Section 54-27.2-01.

FUND HISTORY

The budget stabilization fund was established by the Legislative Assembly in 1987 House Bill No. 1596. Major provisions include:

- Section 54-27.2-01 establishes the budget stabilization fund and provides any interest earned on the balance of the budget stabilization fund must be retained in the fund. The section currently provides any money in the fund in excess of 9.5 percent of the general fund budget as approved by the most recently adjourned Legislative Assembly must be deposited in the state general fund. The Legislative Assembly approved 2011 House Bill No. 1451 which decreased, effective July 1, 2011, the maximum balance allowed in the fund from 10 to 9.5 percent of the general fund budget approved by the most recently adjourned Legislative Assembly.
- Section 54-27.2-02 provides any amount in the state general fund at the end of a biennium in excess of $65 million must be transferred to the budget stabilization fund.
- Section 54-27.2-03 provides the Governor may order a transfer from the budget stabilization fund to the general fund if the Director of the Office of Management and Budget (OMB) projects general fund revenues for the biennium will be at least 2.5 percent less than estimated by the most recently adjourned Legislative Assembly. The amount transferred is limited to the difference between an amount 2.5 percent less than the original legislative general fund revenue forecast and the revised forecast prepared by OMB. Any transfer made must be reported to the Budget Section.

ANALYSIS OF THE CAPITOL BUILDING FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS[1] (REFLECTING THE 2013-15 EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$3,367,502		$1,797,051
Add revenues				
Investment income	$23,105		$32,394	
Rentals, royalties, and bonuses	1,180,253		1,267,086	
Total revenues		1,203,358		1,299,480
Total available		$4,570,860		$3,096,531
Less expenditures and transfers				
Administrative expenses	$43,623		$52,784	
Income payments to counties	5,186[2]		5,718[2]	
Capitol Grounds Planning Commission continuing appropriation (North Dakota Century Code Section 49-10-02[3])	100,000		100,000	
Capitol Grounds Planning Commission operating expenses (2011 SB 2015; 2013 HB 1015)	25,000		25,000	
Office of Management and Budget Capitol projects (2011 SB 2015)	2,600,000[4]			
Total expenditures and transfers		2,773,809		183,502
Ending balance		$1,797,051		$2,913,029

[1]The analysis reflects the legislative appropriations for the 2011-13 biennium and appropriations included in the 2013-15 biennium executive budget and does not include the land owned by the fund.

[2]The Legislative Assembly in 1999 approved Senate Bill No. 2088, which provides that the Board of University and School Lands is to pay a fee to the board of county commissioners of each county in which the state retains original grant lands. The total fees paid may not exceed 5 percent of the net revenue generated from the original grant lands in that county during the year preceding the payments. The board of county commissioners is to forward a prorated portion of any fees received to the organized townships in which the original grant lands are located. The funds are to be used for the repair, maintenance, and construction of roads and bridges. Any remaining funds are to be used by the county for repair, maintenance, and construction of roads and bridges in unorganized townships in which the original grant lands are located.

[3]Section 49-10-02 provides a continuing appropriation to the Capitol Grounds Planning Commission to expend up to $100,000 per biennium of income and interest of the Capitol building fund. The amount that may be spent may not exceed 50 percent of the unencumbered balance of the fund on the first day of the biennium.

[4]Funding of $2.6 million was appropriated from the Capitol building fund by the Legislative Assembly in 2011 for the following projects:

- Legislative wing brass and wood restoration ($1,000,000).
- Capitol Café and hallway remodel ($700,000).
- Capitol south entrance remodeling ($900,000).

ANALYSIS OF THE CENTERS OF EXCELLENCE FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$22,998,197		$8,835,106
Add revenues				
Transfer from the general fund				
Investment income	$36,000		$12,000	
Total revenues		36,000		12,000
Total available		$23,034,197		$8,847,106
Less expenditures and transfers				
Legal fees - Attorney General's office	$2,500[1]		$2,500[1]	
Centers of excellence grants funding distributions	14,116,471		6,918,924[1]	
Economic impact studies	35,120[1]		36,000[1]	
Centers of Excellence Summit	10,000[1]		10,000[1]	
Other administrative expenses	35,000[1]		35,000[1]	
Total expenditures and transfers		14,199,091		7,002,424
Estimated ending balance		$8,835,106[2]		$1,844,682[3]

[1]North Dakota Century Code Section 15-69-05(6), as amended by the Legislative Assembly in 2011 Senate Bill No. 2057, provides the Department of Commerce may use funds available within the centers of excellence fund to pay for the department's administrative expenses.

[2]The 2011-13 biennium ending balance includes $8,556,021 that is obligated for centers of excellence proposals approved in previous bienniums.

[3]The 2013-15 biennium ending balance includes $1,637,097 that is obligated for centers of excellence proposals approved in previous bienniums.

FUND HISTORY

Section 15-69-06 (Senate Bill No. 2018 (2009)) establishes a centers of excellence fund. Money in the fund is appropriated to the Department of Commerce on a continuing basis for implementing and administering the centers of excellence program. Interest earned on money in the fund is retained in the fund. The Legislative Assembly in 2011 did not appropriate new funding to the centers of excellence fund for the 2011-13 biennium. Estimated expenditures for the 2011-13 biennium relate to centers of excellence awarded in prior bienniums. Pursuant to provisions of 2011 Senate Bill No. 2057, the centers of excellence fund will be repealed on August 1, 2023.

ANALYSIS OF THE CENTERS OF RESEARCH EXCELLENCE FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$2,522,500
Add revenues				
Transfer from the general fund	$12,000,000[1]			
Investment income	16,500		$4,000	
Total revenues		12,016,500		4,000
Total available		$12,016,500		$2,526,500
Less expenditures and transfers				
Limited deployment-cooperative airspace project grant				
University of North Dakota (UND)	$2,700,000[2]			
North Dakota State University (NDSU)	1,300,000[2]			
Centers of research excellence grants				
UND	994,000[3,4]		$6,000[3,4]	
NDSU	1,500,000[3]		1,500,000[3]	
Base realignment grants				
UND	3,000,000[4]			
Total expenditures and transfers		9,494,000		1,506,000
Estimated ending balance		$2,522,500[5]		$1,020,500[6]

[1]The Legislative Assembly in 2011 appropriated $12 million from the general fund for transfer to the centers of research excellence fund for providing funding for a limited deployment-cooperative airspace project grant, centers of research excellence grants, and base realignment grants for the 2011-13 biennium.

[2]The Legislative Assembly in 2011 provided the Department of Commerce use $4 million of the funds transferred to the centers of research excellence fund for grants to the North Dakota University System's research institutions for the purpose of leveraging private and federal funding to advance state opportunities associated with a limited deployment-cooperative airspace project in the state during the 2011-13 biennium. The Department of Commerce has awarded $2.7 million to UND and $1.3 million to NDSU for the project. The Department of Commerce developed application criteria, reviewed submitted applications, and recommended applications for approval to the Centers of Excellence Commission.

[3]In 2011 Senate Bill No. 2057, the Legislative Assembly provides that the Department of Commerce may use $8 million of the funds transferred to the centers of research excellence fund for centers of research excellence grants. The Centers of Excellence Commission may not award centers of research excellence grants of more than $4 million to one research university or nonprofit foundation related to that research university. The centers of research excellence program established by the Legislative Assembly in 2011 replaces the centers of excellence program with the following modifications:

- Grant award determinations are made by the Centers of Excellence Commission and do not require Budget Section or Emergency Commission approval.
- Tourism was removed from the definition of an "industry cluster."
- Under centers of research excellence application and eligibility requirements, the requirement that research universities limit applications to two per round of centers funding is removed as well as the requirement relating to consideration of a center's ability to become financially self-sustaining from the award determination process.

- Under centers of research excellence postaward monitoring, an audit is required on all funds distributed to the centers after the second full fiscal year, after all funds distributed to the centers have been expended, and for all other years during the postaward monitoring. The centers may contract with an independent accountant for an agreed-upon procedures engagement. This was changed from the requirement of annual audits until the completion of the Centers of Excellence Commission's postaward monitoring, which lasted for no fewer than 6 years and no more than 10 years following center designation.
- The centers of research excellence program is considered an ongoing program of the Department of Commerce. (The centers of excellence program had an established expiration date.)

As of November 2012, a total of $3,681,250 has been awarded for centers of research excellence grants:

NDSU	
Center for Life Sciences Research and Applications	$1,350,000
Center for Technologically Innovative Processes and Products	320,000
Center for Technologically Innovative Processes and Products 2	1,011,250
UND	
Center for Avian Therapeutics for Infectious Diseases	700,000
Center for Gas Utilization	300,000
Total	$3,681,250

The Department of Commerce anticipates awarding a total of $4 million to NDSU for centers of research excellence grants for the 2011-13 biennium.

[4]Of the $4 million available to UND through the centers of research excellence program, $3 million is to be used for base realignment grants. The Legislative Assembly in 2011 provided the department award base realignment grants to enhance economic development and employment opportunities associated with the Grand Forks Air Force Base resulting from action by the federal Defense Base Closure and Realignment Commission, or grants for infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks Air Force Base. Any funds not committed within the first 18 months of the biennium may be used by the Centers of Excellence Commission for the centers of research excellence program. As of November 2012, a total of $2,680,400 has been awarded for base realignment grants:

UND	
Global Hawk sensor operator part task trainer	$878,204
Joint Distributed Common Ground System	125,706
North Dakota Unmanned Aircraft Systems Airspace Initiative (Phase 2)	255,440
Airspace Integration Team - UAS National Test Site	500,000
Enhanced Use Lease for Grand Forks Air Force Base	921,050
Total	$2,680,400

The Department of Commerce anticipates awarding a total of $3 million to UND for base realignment grants and $1 million to the university for centers of research excellence grants for the 2011-13 biennium.

[5]The 2011-13 biennium estimated ending balance includes $2,506,000 that is anticipated to be obligated for centers of research excellence proposals approved in the 2011-13 biennium.

[6]The 2013-15 biennium estimated ending balance includes $1 million that is anticipated to be obligated for centers of research excellence proposals approved in the 2011-13 biennium.

ANALYSIS OF THE COAL DEVELOPMENT TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium[1]		2013-15 Biennium[1]	
Beginning balance		$135,356		$1,549
Add revenues				
Investment income	$761,170		$275,528	
School construction loan income	1,151,061		1,900,000	
Total revenues		1,912,231		2,175,528
Total available		$2,047,587		$2,177,077
Less expenditures and transfers				
Investment expense	$103,927		$44,726	
Administrative expenses	6,755		7,000	
Transfer to the general fund	1,935,356		2,100,000	
Total expenditures and transfers		2,046,038		2,151,726
Ending balance		$1,549		$25,351

[1]The beginning and ending balances do not include the value of permanent assets of the coal development trust fund which must be maintained pursuant to North Dakota Century Code Section 57-62-02 and Article X, Section 21, of the Constitution of North Dakota. As of December 31, 2012, the total value of permanent fund assets was $64.9 million, of which $35.1 million was school construction loans receivable, $8.3 million was coal impact loans receivable, and $21.5 million was either invested or was a receivable of investment or other earnings.

Section 57-62-02 and Article X, Section 21, of the Constitution of North Dakota, provide that the income from the coal development trust fund must be used first to replace any uncollectible loans made from the fund and any remaining income must be deposited in the general fund. The amounts shown on this analysis include only the income in excess of any allowance for uncollectible loans made from the fund and do not include any revenues or expenses affecting the permanent fund balance.

FUND HISTORY

The coal development trust fund originated in 1979 with passage of House Bill No. 1257, now codified as various sections of Chapter 57-62. In 1980 the voters of North Dakota approved constitutional measure No. 5, creating Article X, Section 21, of the Constitution of North Dakota, and establishing the coal development trust fund as a constitutional trust fund.

Section 57-62-02 provides that 30 percent of the coal severance tax must be deposited in the coal development trust fund. Section 57-62-02 provides that the Board of University and School Lands shall administer the fund and use money in the fund for loans to coal-impacted counties, cities, and school districts and for loans to school districts for school construction. Section 15.1-36-02 limits the outstanding principal balance of school construction loans from the coal development trust fund to $50 million.

Section 57-61-01.5 provides that 70 percent of the money deposited in the coal development trust fund must be transferred to the lignite research fund. Consequently, 30 percent of the coal severance taxes deposited in the fund (9 percent of total coal severance taxes collected) remains in the coal development trust fund to be used for the purposes provided in Section 57-62-02.

ANALYSIS OF THE COMMON SCHOOLS TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

ASSETS, DISTRIBUTIONS, AND INVESTMENT RETURNS FOR THE COMMON SCHOOLS TRUST FUND

The following is a summary of actual and estimated assets, distributions, and investment returns for the common schools trust fund for the 1997-99 through 2013-15 bienniums:

Biennium	Fiscal Year	Beginning Assets (Excluding Land and Minerals Values)	Distributions	Interest, Dividends, and Surface and Mineral Rental Income (Net of Expenses)	Total Average Investment Return (Interest Income and Capital Gains)
1997-99	1998	$400,689,879	$23,200,000	$24,965,697	13.57%
	1999	$444,823,559	$23,200,000	$24,644,625	7.50%
1999-2001	2000	$467,059,293	$23,775,000	$25,650,676	11.05%
	2001	$521,509,978	$23,775,000	$27,382,227	2.03%
2001-03	2002	$533,360,593	$28,896,500	$26,548,262	(1.34%)
	2003	$522,905,814	$28,896,500	$26,620,380	4.57%
2003-05	2004	$547,047,877	$30,000,000	$24,849,254	12.60%
	2005	$614,738,548	$30,000,000	$26,137,010	8.58%
2005-07	2006	$686,273,875	$31,100,000	$27,118,113	7.51%
	2007	$761,901,287	$31,100,000	$31,378,257	12.82%
2007-09	2008	$887,092,909	$33,400,000	$36,497,403	(4.22%)
	2009	$908,928,685	$33,400,000	$36,184,299	(13.75%)
2009-11	2010	$846,314,086	$38,589,000	$37,674,582	14.48%
	2011	$1,221,501,801[1]	$38,589,000	$46,044,054	17.99%
2011-13	2012	$1,622,412,984[2]	$46,257,000	$50,839,459	2.42%
	2013	$1,917,110,586	$46,257,000	[3]	[3]
2013-15	2014	[3]	$65,163,000	[3]	[3]
	2015	[3]	$65,163,000	[3]	[3]

[1]The increase in assets during fiscal year 2010 included income from mineral royalties and lease bonuses of $249 million and oil extraction tax allocations of $28 million.

[2]The increase in assets during fiscal year 2011 included income from mineral royalties and lease bonuses of $148.9 million, oil extraction tax allocations of $49.3 million, and $190.9 million of investment income and capital gains.

[3]Article IX, Section 2, of the Constitution of North Dakota, was amended in November 2006 through voter approval of measure No. 1 (House Concurrent Resolution No. 3037 (2005)). The measure changed the way distributions from the common schools trust fund and other permanent educational trust funds are determined. The amendment became effective July 1, 2009, and distributions from the common schools trust fund are now based on a percentage of the five-year average value of trust assets, excluding the value of lands and minerals. Therefore, the Board of University and School Lands does not project asset values, income, or investment return because it is no longer relevant to the calculation of distribution amounts.

MONEY DEPOSITED IN THE COMMON SCHOOLS TRUST FUND

Select Constitutional Provisions

Article IX, Section 1

This section provides that the following money must be deposited in a permanent trust fund, known as the common schools trust fund, and used to support the common schools of the state:

- All proceeds relating to public lands granted to the state by the federal government for the support of the common schools.
- All proceeds relating to property acquired by the state through escheat (property reverting to the state in the absence of legal heirs).
- All gifts, donations, and other property acquired by the state for the support of the common schools.
- The proceeds of all bonuses relating to the leasing of coal, gas, oil, or other mineral interests relating to common schools lands.

This section was included in the original Constitution of North Dakota enacted in 1889. In 1982 the section was amended to provide that bonuses relating to the leasing of coal, gas, oil, or other mineral interests relating to common schools lands were to be deposited in the common schools trust fund. In 2006 measure No. 1 approved by voters removed the reference to bonuses related to leasing and provided that revenues earned by a perpetual trust fund must be deposited in the fund.

Article IX, Section 5

This section provides that in all sales of common schools lands, the state must retain the mineral interests. Leases may be executed for the extraction and sale of the minerals.

This section was included in the original Constitution of North Dakota enacted in 1889. As originally enacted, the section prohibited the sale of common schools lands that were "coal lands" and did not address other minerals. In 1960 the section was amended to its current form which allows the sale of lands containing minerals but requires that the state retain the mineral interests. Minerals are defined to include oil, gas, coal, cement materials, sodium sulphate, sand and gravel, road material, building stone, chemical substances, metallic ores, uranium ores, and colloidal or other clays.

Article X, Section 24

This section provides that 10 percent of oil extraction tax revenue must be deposited in the comrnon schools trust fund.

This section was enacted in 1994 through voter approval of measure No. 1 (Senate Concurrent Resolution No. 4011 (1993)). The section has not been changed since enactment.

Select North Dakota Century Code Provisions

Section 47-30.1-23

This section provides that all funds received by the state under the Uniform Unclaimed Property Act, except amounts deducted for the payment of claims and certain administrative costs, must be deposited in the common schools trust fund.

Section 54-27-25

This section, which was enacted by the Legislative Assembly in 1999, creates a tobacco settlement trust fund to be used to deposit tobacco settlement money received by the state. Forty-five percent of the tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement and deposited in the tobacco settlement trust fund must be transferred to the common schools trust fund and become a part of the principal of the fund.

To date, $143,482,884 of tobacco settlement money received by the state has been transferred to the common schools trust fund. The following is a summary of transfers to the common schools trust fund from the tobacco settlement trust fund:

1999-2001	$23,805,353 (actual)
2001-03	$23,998,745 (actual)
2003-05	$20,977,123 (actual)
2005-07	$19,722,653 (actual)
2007-09	$27,672,929 (actual)
2009-11	$18,248,834 (actual)
2011-13	$18,057,247 (estimate)
2013-15	$18,000,000 (estimate)
2015-17	$20,741,314 (estimate)
2017-25 ($23,626,724 per biennium)	$94,506,896 (estimate)

DISTRIBUTIONS FROM THE COMMON SCHOOLS TRUST FUND

Select Constitutional Provisions

Article IX, Section 1

This section provides that revenues earned by the perpetual trust fund must be deposited in the fund, the costs of administering the fund may be paid out of the fund, and the perpetual trust funds must be managed to preserve their purchasing power and to maintain stable distributions to fund beneficiaries.

Article IX, Section 2

This section provides that payments to the common schools of the state include:

- Biennial distributions from each educational trust fund must be 10 percent of the five-year average value of the trust assets, excluding the value of land and minerals. This section was amended in November 2006 through voter approval of measure No. 1 (House Concurrent Resolution No. 3037 (2005)). The measure changed the way distributions from the common schools trust fund and other permanent educational trust funds are determined. Previously, distributions were based on the amount of interest and income earned by each trust during a fiscal year. The amendment became effective July 1, 2009, and distributions from the common schools trust fund for the 2009-11 and 2011-13 bienniums are based on the distribution formula.
- All fines for violation of state laws. (This money is not added to the trust fund but is added to the distributions from the common schools trust fund and distributed to schools.)
- All other amounts provided by law.

This section was included in the original Constitution of North Dakota enacted in 1889. The original law contained the following two provisions that were removed through voter approval of measure No. 3 in June 1982:

- Payments to the common schools must be distributed in proportion to the number of school-age children in each district.
- Any portion of the interest or income of the common schools trust fund not distributed during a fiscal year must be added to the permanent balance of the trust fund.

Select North Dakota Century Code Provisions

Section 15-01-02

This section provides that the Board of University and School Lands has full control of:

- The selection, appraisement, rental, sale, disposal, and management of common schools lands.
- The investment of any funds derived from the sale of common schools lands.
- The proceeds of any other property required by law to be used for the support of the common schools.

INVESTMENT OF THE COMMON SCHOOLS TRUST FUND

Section 15-03-04 provides that the Board of University and School Lands is to apply the prudent investor rule in investing the permanent funds under its control, including the common schools trust fund. The prudent investor rule means that in making investments, the board is to exercise the same judgment and care that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it.

ANALYSIS OF THE COMMUNITY HEALTH TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$0
Add estimated revenues and general fund transfers				
Transfers to date from the tobacco settlement trust fund	$2,012,722[1]		$0	
Projected remaining transfers from the tobacco settlement trust fund	2,000,000[2]		$4,000,000[2]	
Total estimated revenues		4,012,722[3]		4,000,000[3]
Total available		$4,012,722		$4,000,000
Less estimated expenditures and transfers				
State Department of Health (2011 HB 1004, 2013 SB 2004)				
Tobacco prevention and control, including the Tobacco Quitline and the tobacco cessation coordinator and operating expenses	$3,210,178[4]		$3,220,354[4]	
Dentists' loan program	200,000[5]		340,000[5]	
Physician and medical loan repayment program	0[6]		0[6]	
Veterinarian loan repayment program	300,000[7]		0[7]	
Women's Way program	302,544[8]		400,500[8]	
Dental grant program	0[9]		25,000[9]	
Total estimated expenditures and transfers		4,012,722		3,985,854
Estimated ending balance		$0		$14,146

[1]As of November 2012, $2,012,722 has been transferred from the tobacco settlement trust fund for the 2011-13 biennium. Total transfers of $31,885,085 have been made from the tobacco settlement trust fund to the community health trust fund.

[2]Revenues - Interest earned on the community health trust fund is deposited in the state general fund. Community health trust fund revenues have been estimated based on the average of actual revenues received into the community health trust fund in fiscal years 2011 and 2012.

[3]Initiated measure No. 3 (2008) resulted in the following estimated allocation of the revised estimated collections for tobacco settlement payments through 2025:

	Actual and Estimated Total Tobacco Settlement Proceeds	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)		
			Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A	$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million	11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million	18.2 million	18.2 million	4.1 million
Estimated 2011-13 biennium	62.8 million	22.6 million	18.1 million	18.1 million	4.0 million
Estimated 2013-15 biennium	62.6 million	22.6 million	18.0 million	18.0 million	4.0 million
Estimated 2015-17 biennium	73.7 million	27.6 million	20.8 million	20.8 million	4.5 million
Estimated 2017-19 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2019-21 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Total	$548.7 million	$110.4 million	$197.2 million	$197.2 million	$43.9 million

In 2006 certain tobacco companies began reducing their tobacco settlement payments to North Dakota contending the Master Settlement Agreement allows for the payments to be reduced if they lose sales to small cigarette makers that did not participate in the agreement and if states do not enforce laws intended to make smaller tobacco companies set aside money for legal claims. The Attorney General's office has filed a lawsuit against the tobacco companies to collect full payment.

[4]North Dakota Century Code Section 54-27-25 provides money in the community health trust fund may be used by the State Department of Health, subject to legislative appropriation, for community-based public health programs and other public health programs, including programs with an emphasis on preventing or reducing tobacco usage. The Legislative Assembly in 2003 authorized the establishment of a telephone "Tobacco Quitline." The Legislative Assembly in 2007 increased the funding for the quitline to provide nicotine replacement therapy and cessation counseling. The Legislative Assembly in 2007 authorized 1 full-time equivalent (FTE) tobacco prevention coordinator position and related funding for salaries and wages and operating expenses for the position. The Legislative Assembly in 2011 did not approve direct funding for the quitline or the tobacco prevention coordinator position, but appropriated $3,510,496 from the community health trust fund to the State Department of Health for tobacco prevention and control programs for the 2011-13 biennium. The department anticipates expending $3,210,178 from the fund for the 2011-13 biennium. The 2013-15 executive budget recommendation provides $3,220,354 from the community health trust fund to the department for tobacco prevention and control programs for the 2013-15 biennium.

In the November 2008 general election, voters approved initiated measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure also provides that 80 percent of the funds allocated to the community health trust fund from the tobacco settlement trust fund be used for tobacco prevention and control. Based on estimated tobacco settlement trust fund transfers during the 2013-15 biennium, tobacco prevention and control expenditures from the community health trust fund are required to total $3.2 million.

[5]The dentists' loan repayment program, which is administered by the Health Council, was established in 2001 Senate Bill No. 2276 (Chapter 43-28.1). Each year the Health Council is to select up to three dentists who agree to provide dental services in the state. The dentists are eligible to receive funds, not to exceed a total of $80,000 per applicant, for the repayment of their educational loans. The funds are payable over a four-year period ($20,000 per year). The dental loan repayment program is to provide the highest priority for acceptance into the program to dentists willing to serve the smallest and most underserved communities in North Dakota. Senate Bill No. 2152 (2007) provides a dentist practicing in Bismarck, Fargo, or Grand Forks must have received dental medical payments of at least $20,000 in the form of medical assistance reimbursement or practiced at least two full workdays per week at a public health clinic or nonprofit dental clinic in order to qualify for the dentists' loan repayment program. The Legislative Assembly in 2011 appropriated $440,000, of which $180,000 is from the general fund and $260,000 is from the community health trust fund, for the dentists' loan repayment program. The department anticipates expending $200,000 from the fund for the dentists' loan repayment program for the 2011-13 biennium. The 2013-15 executive budget recommendation includes $520,000, of which $180,000 is from the general fund and $340,000 is from the community health trust fund, for the dentists' loan repayment program, $80,000 more than the 2011-13 biennium legislative appropriation. Dentists accepted into the program per biennium include:

Biennium (Number of Dentists Accepted Into Program)	Communities Served
2001-03 biennium (3)	Minot (2) Larimore
2003-05 biennium (6)	Fargo Community Health Center New Rockford Grand Forks Fargo Bismarck West Fargo
2005-07 biennium (4)	Fargo Community Health Center Bismarck (serving special populations) Mott Minot

Biennium (Number of Dentists Accepted Into Program)	Communities Served
2007-09 biennium (6)	Park River Bismarck Grand Forks Cando/Devils Lake Rugby Wishek
2009-11 biennium (6)	Bismarck Fargo Jamestown Larimore Valley City Williston
2011-13 biennium (6 to date)	Bowman Hazen Langdon/Walhalla Carrington Cavalier Williston

[6]Chapter 43-17.2 provides for the state community matching physician loan repayment program. A qualifying physician may receive up to $22,500 per year for up to two years for a total of $45,000. Section 43-12.2-01 provides for qualifying mid-level practitioners to receive loan repayments totaling up to $30,000 over two years, of which $15,000 is provided by the state. Communities must contribute an amount at least equal to the amount of the state contribution for the physicians and mid-level practitioners. The Legislative Assembly in 2009 Senate Bill No. 2227 removed the limit on the number of recipients and increased the limit on the maximum loan repayment from $10,000 to $30,000 for the medical personnel loan repayment program relating to mid-level practitioners. The Legislative Assembly in 2011 approved $420,000, of which $345,000 is from the general fund and $75,000 is from the community health trust fund, for the medical personnel loan repayment program for the 2011-13 biennium. The department does not anticipate using funding from the community health trust fund for the physician and medical loan repayment program; however, the department anticipates $299,289 will be provided from the general fund during the 2011-13 biennium. The 2013-15 executive budget recommendation does not include funding from the community health trust fund for the physician and medical loan repayment program; however, $576,788 has been provided from the general fund, $156,788 more than the 2011-13 biennium. Physicians and mid-level practitioners accepted into the program per biennium include:

Biennium (Number of Physicians Accepted Into Program)	Communities Served
2007-09 biennium (4)	Dickinson (2) Devils Lake Wishek
2009-11 biennium (5)	Dickinson (2) Jamestown Wahpeton Williston
2011-13 biennium (6 to date)	Williston (2) Fargo Linton Valley City Mayville

Biennium (Number of Mid-Level Practitioners Accepted Into Program)	Communities Served
2007-09 biennium (3)	Grafton Turtle Lake/McClusky Williston/Bowman
2009-11 biennium (2)	Oakes (2)
2011-13 biennium (3 to date)	Oakes (2) Mayville

[7]The Legislative Assembly in 2011 appropriated $445,000, of which $135,000 is from the general fund and $310,000 is from the community health trust fund, for the veterinarian loan repayment program during the 2011-13 biennium. The department anticipates expending $300,000 from the community health trust fund for the veterinarian loan repayment program for the 2011-13 biennium. The 2013-15 executive budget recommends $485,000 from the general fund for the veterinarian loan repayment program, $40,000 more than the legislative appropriation for the 2011-13 biennium.

[8]The Legislative Assembly in 2011 provided $400,500 from the community health trust fund for the Women's Way program. The department anticipates expending $302,544 from the fund for the Women's Way program for the 2011-13 biennium. The 2013-15 executive budget recommendation includes $400,500 from the community health trust fund for the Women's Way program, the same as the legislative appropriation for the 2011-13 biennium.

[9]Senate Bill No. 2152 (2007) provided for a dental grant program. A dentist who has graduated from an accredited dental school within the previous five years and is licensed to practice in North Dakota may submit an application to the Health Council for a grant for the purpose of establishing a dental practice in North Dakota cities with a population of 7,500 or less. The Health Council may award a maximum of two grants per year with a maximum grant award of $50,000 per applicant to be used for buildings, equipment, and operating expenses. The community in which the dentist is located must provide a 50 percent match. The grant must be distributed in equal amounts over a five-year period, and the dentist must commit to practice in the community for five years. The Legislative Assembly in 2011 appropriated $30,000, of which $20,000 is from the general fund and $10,000 is from the community health trust fund, for the dental grant program during the 2011-13 biennium. The State Department of Health continues to make payments related to one grant awarded to a dentist in Larimore during the 2009-11 biennium and has not had any applicants during the 2011-13 biennium. The 2013-15 executive budget recommends $25,000 from the community health trust fund for the dental grant program, $5,000 less than the legislative appropriation for the 2011-13 biennium.

FUND HISTORY

Section 54-27-25 created by 1999 House Bill No. 1475 established the community health trust fund. This section creates a tobacco settlement trust fund for the deposit of all tobacco settlement money obtained by the state. Money in the fund must be transferred within 30 days of its deposit in the fund as follows:

- 10 percent to the community health trust fund.
- 45 percent to the common schools trust fund.
- 45 percent to the water development trust fund.

In the November 2008 general election, voters approved initiated measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure provides for a portion of tobacco settlement funds received by the state to be deposited in this new fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continues in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement relating to strategic contribution payments, which began in 2008 and continues through 2017, will be deposited beginning in 2009 into the newly created tobacco prevention and control trust fund. The measure also provides 80 percent of the funds allocated to the community health trust fund from the tobacco settlement trust fund be used for tobacco prevention and control.

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. Future tobacco settlement payments will be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25, as amended by the measure.

ANALYSIS OF THE ELECTRONIC HEALTH INFORMATION EXCHANGE FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$5,464,014[1,2]		$8,158,236
Add estimated revenues				
Transfer from the Bank of North Dakota	$7,500,000[1]			
Grant from the Office of the National Coordinator for Health Information Technology	0[2]			
Funds from health information network participants			$1,771,681[3]	
Total estimated revenues		7,500,000		1,771,681
Total available		$12,964,014		$9,929,917
Less estimated expenditures and transfers				
Implementing a statewide health information technology and exchange network	$4,763,134		$3,521,429	
Regional Extension Center for Health Information Technology Services payments	42,644		126,415	
Total estimated expenditures and transfers		4,805,778		3,647,844
Estimated ending balance		$8,158,236		$6,282,073

[1]Section 8 of 2009 Senate Bill No. 2332 provided that the Industrial Commission transfer, during the 2009-11 biennium, as requested by the Health Information Technology Office director, up to $8 million from the current earnings and the accumulated undivided profits of the Bank of North Dakota to the health information technology loan fund to meet any required match for federal funds or to the electronic health information exchange fund to meet any required match for federal funds or as directed, a portion to both funds to meet any required match for federal funds.

Section 6 of 2011 House Bill No. 1021 amended Section 8 of 2009 Senate Bill No. 2332 to provide that the Industrial Commission transfer, during the 2009-11 or 2011-13 biennium, up to $8 million from the current earnings and the accumulated undivided profits of the Bank of North Dakota to the health information technology loan fund or to the electronic health information exchange fund to meet any required match for federal funds or for ongoing operating expenditures of the health information exchange. During the 2009-11 biennium, $500,000 was transferred and $7.5 million during the 2011-13 biennium.

[2]In March 2010 the Information Technology Department (ITD) was awarded a four-year grant totaling $5,343,733 from the Office of the National Coordinator for Health Information Technology which was deposited into the fund for implementing a statewide health information technology and exchange network. These funds are available for ITD to use through March 14, 2014, at a match rate of $1 of state funds for each $3 of federal funds. As of July 1, 2011, the federal balance was $5,027,520. It is anticipated that the grant and match funds will provide for the costs of implementation and operating costs through March 2014.

[3]The 2013-15 executive budget recommendation anticipates the collection of $1,771,681 from participatants in the health information network. Participants include health care providers, insurers, and state agencies.

FUND HISTORY

North Dakota Century Code Section 54-59-27 (2009 Senate Bill No. 2332) establishes the electronic health information exchange fund. The fund consists of the money deposited in the fund from federal or other sources or money transferred into the fund as directed by the Legislative Assembly. The Health Information Technology Office is to administer the fund. The money in the fund is to be used to facilitate and expand the electronic health information exchange. Money in the fund may be used, subject to legislative appropriations, to provide services directly for grants and for costs of administration of the fund.

An application for a grant must be made to the Health Information Technology Office. The Health Information Technology Office is to determine the applicant's eligibility based upon criteria established by the Health Information Technology Office director, in collaboration with the Health Information Technology Advisory Committee.

ANALYSIS OF THE ENVIRONMENT AND RANGELAND PROTECTION FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$2,234,971		$1,594,724
Add estimated revenues				
Pesticide registration fees	$4,000,000[1]		$4,000,000[1]	
Weed seed-free forage (2011 SB 2009; 2013 HB 1009)	48,922[2]		48,922[2]	
Rinsate collection fee (North Dakota Century Code Section 4-35.2-03)				
Fertilizer registration, inspection, and tonnage fees (Sections 19-20.1-03, 19-20.1-03.1, and 19-20.1-06)	886,178[3,4]		886,178[3,4]	
Total estimated revenues		4,935,100		4,935,100
Total available		$7,170,071		$6,529,824
Less estimated expenditures and transfers				
Agriculture Commissioner				
Noxious weed control (2011 SB 2009; 2013 HB 1009)	$2,003,582		$1,892,926	
Pesticide disposal project (Safe Send) (2011 SB 2009; 2013 HB 1009)	591,732		595,110	
Pesticide and fertilizer programs (2011 SB 2009; 2013 HB 1009)	1,824,301		1,928,870	
Agriculture in the Classroom program (2011 SB 2009; 2013 HB 1009)	110,000		119,023	
Farmer's market (2011 SB 2004; 2013 HB 1009)	29,500		29,500	
Livestock pollution prevention (2011 SB 2009; 2013 HB 1009)	50,000		50,000	
Weed seed-free forage (2011 SB 2009; 2013 HB 1009)	48,922[2]		48,922[2]	
Dairy Coalition grant and livestock development duties (2011 SB 2009)	250,000[5]			
Livestock development duties (2013 HB 1009)			246,166[5]	
Department of Agriculture operating expenses (2011 SB 2009; 2013 HB 1009)	120,000		447,935	
Feed program expenses (2013 HB 1009)			142,599	
Crop Protection Product Harmonization and Registration Board[6]				
Crop protection product registration, labeling, and grants (2011 SB 2009; 2013 HB 1009)	75,000		75,000	
Minor use pesticide registration (2011 SB 2009; 2013 HB 1009)	200,000		200,000	
State Department of Health				
Ground water testing (2011 HB 1004; 2013 SB 2004)	222,310		222,310	
North Dakota Stockmen's Association environmental services program (2011 HB 1004; 2013 SB 2004)	50,000		50,000	
Total estimated expenditures and transfers		5,575,347		6,048,361
Ending balance		$1,594,724		$481,463

[1]The Legislative Assembly in 1999 approved Senate Bill No. 2009, which included a provision increasing the biennial pesticide registration fee by $50, from $300 to $350, only for the 1999-2001 biennium. The $350 pesticide registration fee was extended for the 2001-03 biennium (House Bill No. 1009 (2001)), the 2003-05 biennium (Senate Bill No. 2319 (2003)), and the 2005-07 biennium (House Bill No. 1009 (2005)). The $350 pesticide registration fee was continued, without an expiration date, by 2007 Senate Bill No. 2323. The Legislative Assembly in 2009 approved House Bill No. 1009, which deposits all pesticide registration fees in the environment and rangeland protection fund rather than a portion in the general fund.

[2]House Bill No. 1270 (2009) allows the Agriculture Commissioner to certify forage acreage as being free of certain weeds and weed seed. The appropriation provided to the department for the program is the amount that is anticipated to be received from fees charged for certifications.

[3]House Bill No. 1321 (2011) repealed Section 19-20.2-08.1 that deposits certain inspection fees in the anhydrous ammonia storage facility inspection fund. The bill provided that the fee collections are to be deposited in the environment and rangeland protection fund, and anhydrous ammonia inspection storage facility inspection duties are to be transferred from the Insurance Commissioner to the Agriculture Commissioner.

[4]Senate Bill No. 2009 (2011) amended Sections 19-20.1-03, 19-20.1-03.1, and 19-20.1-06 to deposit fertilizer distribution registration, licensing, and inspection fees in the environment and rangeland protection fund rather than the general fund. House Bill No. 1321 (2011) also amended Section 19-20.1-06 to deposit a portion of fertilizer distribution inspection fees in the environment and rangeland protection fund rather than the general fund.

[5]House Bill No. 1009 (2013) provides for the Department of Agriculture to assume livestock development duties from the Dairy Coalition.

[6]Section 4-35-30, as created by 2001 House Bill Nos. 1009 and 1328, created the Crop Protection Product Harmonization and Registration Board. The duties of the board consist of:

- Identifying and prioritizing crop protection product labeling needs.
- Exploring the extent of authority given to North Dakota under the federal Insecticide, Fungicide, and Rodenticide Act.
- Identifying the data necessary to enable registration of a use to occur in a timely manner.
- Determining what research, if any, is necessary to fulfill data requirements for responsibilities of the board.
- Requesting the Agriculture Commissioner to pursue specific research funding options from public and private sources.
- Requesting the Agricultural Experiment Station to pursue specific research to coordinate registration efforts.
- Pursuing any opportunities to make more crop protection product options available to agricultural producers in this state through any means the board determines advisable.
- Administering a grant program through which agriculture commodity groups may apply for funds to be used to address issues related to the registration of crop protection products.

The members of the Crop Protection Product Harmonization and Registration Board consist of:

- The Governor or the Governor's designee (chairman).
- The Agriculture Commissioner or the commissioner's designee.
- The chairman of the House Agriculture Committee or the chairman's designee.
- The chairman of the Senate Agriculture Committee or the chairman's designee.
- A member of the House or Senate Agriculture Committee who is not a member of the faction in which the committee chairman is a member, appointed by the Legislative Management chairman.
- A crop protection product dealer in the state appointed by the Governor from a list of three nominees submitted by the North Dakota Agricultural Association.
- A consumer of crop protection products appointed by the Governor from a list of three nominees submitted by the North Dakota Grain Growers Association.
- A consumer of crop protection products appointed by the Governor from a list of three nominees submitted by the North Dakota Oilseed Council.
- A representative of the crop protection product manufacturing industry appointed by the chairman of the Legislative Management (nonvoting).
- The director of the Agricultural Experiment Station (nonvoting).

FUND HISTORY

Section 19-18-02.1, created by 1991 Senate Bill No. 2451, establishes the environment and rangeland protection fund. The fund contains collections from pesticide registration fees. During the 2007-09 biennium, the biennial fee was $350 per pesticide product registered in the state. Of this amount, $300 was deposited in the environment and rangeland protection fund and $50 in the general fund. Pursuant to provisions of 2009 House Bill No. 1009, beginning with the 2009-11 biennium, the entire pesticide registration fee is deposited in the environment and rangeland protection fund rather than a portion in the general fund.

ANALYSIS OF THE FIRE AND TORNADO FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$22,306,709		$24,971,709
Add estimated revenues				
Premium collections	$7,700,000		$8,100,000	
Investment income (loss)	6,000,000		6,000,000	
Boiler inspection fees	550,000		625,000	
Loss claims and insurance recoveries	700,000		200,000	
Total estimated revenues		14,950,000		14,925,000
Total available		$37,256,709		$39,896,709
Less estimated expenditures and transfers				
Loss claims payments	$5,000,000		$9,000,000	
Claims-related payments	5,500,000		5,700,000	
Insurance Department administration and anhydrous ammonia inspection costs	1,465,000		1,656,507	
State Fire Marshal program (2011 SB 2003; 2013 HB 1003)	150,000		150,000	
North Dakota Firefighters Association grant (2011 SB 2010; 2013 HB 1010)	170,000		170,000	
Total estimated expenditures and transfers		12,285,000		16,676,507
Estimated ending balance		$24,971,709		$23,220,202

FUND HISTORY

The state fire and tornado fund originated in 1919. The fund is maintained to insure the various political subdivisions and state industries against loss to public buildings and permanent fixtures. North Dakota Century Code Section 26.1-22-14 requires that if the fire and tornado fund balance is less than $12 million, the Insurance Commissioner must increase assessments on policies.

ANALYSIS OF THE FOUNDATION AID STABILIZATION FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$140,193,764		$332,951,033
Add estimated revenues				
Oil extraction tax allocations	$192,757,269[1]		$273,476,675[1]	
Total available		$332,951,033		$606,427,708
Less estimated expenditures and transfers				
Transfer to foundation aid program	$0[2]		$0[2]	
Estimated ending balance		$332,951,033		$606,427,708

[1]Estimated revenues - Based on actual oil extraction tax collections transferred to the fund through December 2012 and estimated allocations for the remainder of the 2011-13 biennium and the 2013-15 biennium per the November 2012 executive revenue forecast.

[2]Estimated expenditures - As provided in Article X, Section 24, of the Constitution of North Dakota, the principal of the foundation aid stabilization fund can only be used to offset foundation aid reductions made by executive action due to a revenue shortfall. No foundation aid reductions as a result of a revenue shortfall are currently anticipated in the 2011-13 biennium or the 2013-15 biennium.

FUND HISTORY

The foundation aid stabilization fund was created in 1994 when the voters of North Dakota approved a constitutional amendment, now Article X, Section 24, of the Constitution of North Dakota, to provide that 20 percent of oil extraction tax revenue be allocated as follows:

- Fifty percent (of the 20 percent) to the common schools trust fund.
- **Fifty percent (of the 20 percent) to the foundation aid stabilization fund.**

The principal of the foundation aid stabilization fund may only be spent upon order of the Governor to offset foundation aid reductions made by executive action due to a revenue shortfall. North Dakota Century Code Section 54-44.1-12 provides that the director of the budget may order an allotment to control the rate of expenditures of state agencies. This section provides that an allotment must be made by specific fund and all departments and agencies that receive money from a fund must be allotted on a uniform percentage basis, except that appropriations for foundation aid, transportation aid, and special education aid may only be allotted to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund.

Article X, Section 24, of the Constitution of North Dakota, provides that the interest income of the foundation aid stabilization fund must be transferred to the general fund on July 1 of each year. However, the State Treasurer's office allocates the interest income to the general fund on a monthly basis. For the period July 1, 2011, through November 30, 2012, $298,141 of interest from the foundation aid stabilization fund has been allocated to the general fund.

ANALYSIS OF THE HEALTH CARE TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$420,036		$396,784
Add estimated revenues				
Investment earnings	$7,633		$2,334	
Loan repayments - Principal and interest	1,070,901		1,026,297	
Total estimated revenues		1,078,534		1,028,631
Total available		$1,498,570		$1,425,415
Less estimated expenditures and transfers				
Department of Human Services increased payments to basic care and long-term care facilities (2011 HB 1325)	$546,786[1]			
Department of Human Services one-time grant to a government nursing facility that participated in the intergovernmental transfer payment program ($200,000) and to a hospital in a city which also has a government nursing facility that participated in the intergovernmental transfer payment program (2011 SB 2012)	400,000			
State Department of Health one-time costs to establish a nurse aide registry (2011 HB 1041)	155,000			
State Department of Health operation and maintenance of the nurse aide registry			167,725[2]	
Total estimated expenditures and transfers		1,101,786[2]		167,725[2]
Estimated ending balance		$396,784		$1,257,690

[1]House Bill No. 1325 (2011) provides a special funds appropriation of $1,255,979, of which $546,786 is from the health care trust fund and $679,193 is from federal funds, to the Department of Human Services for increased payments to basic care and long-term care facilities due to establishment of a bed layaway program.

[2]Section 6 of 2011 House Bill No. 1041 amends North Dakota Century Code Section 50-30-02 to provide money in the health care trust fund may not be included in draft appropriation Acts under Section 54-44.1-06, except for the operation and maintenance of the nurse aide registry as provided for in this section.

FUND HISTORY

The health care trust fund was established by the Legislative Assembly in 1999 Senate Bill No. 2168 for providing nursing alternative loans or grants. The Legislative Assembly in 2001 House Bill No. 1196 provided money in the fund may be transferred to the long-term care facility loan fund for nursing facility renovation projects and used for other programs as authorized by the Legislative Assembly. Money was generated for the health care trust fund as a result of the Department of Human Services making government nursing facility funding pool payments to two government nursing facilities--McVille and Dunseith. Payments were made based on the average amount Medicare rates exceeded Medicaid rates for all nursing care facilities in the state multiplied by the total of all Medicaid resident days of all nursing homes. Federal Medicaid funds were available for these payments and required a state match. Payments were made to the two government nursing facilities and were subsequently returned to the state, less a $50,000 transaction fee retained by each of the two government nursing facilities. Once returned to the state, the state's matching share was returned to its source, and the federal funds were deposited in the health care trust fund. Money in the fund is invested by the State Investment Board, and any investment earnings are retained in the fund. The federal government has eliminated this intergovernmental transfer program. As a result, North Dakota's final intergovernmental transfer payment was received in July 2004.

ANALYSIS OF THE HEALTH INFORMATION TECHNOLOGY LOAN FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$0
Add estimated revenues				
Transfer from the Bank of North Dakota	$0		$0	
Total estimated revenues		0		0
Total available		$0		$0
Less estimated expenditures and transfers				
Loans to health care providers and other purposes	$0		$0	
Total estimated expenditures and transfers		0		0
Estimated ending balance		$0		$0

This fund was established anticipating federal funds would be received through the Health Information Technology for Economic and Clinical Health Act (HITECH) for loans to health care providers. These funds were never made available; therefore, this fund has not been utilized.

FUND HISTORY

North Dakota Century Code Section 6-09-42 (2009 Senate Bill No. 2332) establishes a health information technology loan fund at the Bank of North Dakota for providing loans to health care providers to purchase and upgrade electronic health record technology, train personnel in its use, improve security of information technology exchange, and for other purposes as established by the Health Information Technology Office, in collaboration with the Health Information Technology Advisory Committee. This fund is a revolving loan fund. All money transferred into the fund, interest upon money in the fund, and collections of interest and principal on loans made from the fund are appropriated for disbursement. Annually, the Bank may deduct a service fee for administering the revolving loan fund.

An application for a loan must be made to the Health Information Technology Office. The Health Information Technology Office director, in collaboration with the Health Information Technology Advisory Committee, may approve the application of a qualified applicant that meets the criteria established by the Health Information Technology Office director. The Health Information Technology Office is to forward approved applications to the Bank. Upon approval of the application by the Bank, the Bank is to make the loan from the revolving fund. A loan made under this fund must be repayable over a period that may not exceed 10 years.

ANALYSIS OF THE HEALTH INFORMATION TECHNOLOGY PLANNING LOAN FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$894,196		$0
Add estimated revenues				
Transfer from the Bank of North Dakota current earnings and accumulated undivided profits	$5,000,000[1]			
Principal payments	1,331,889		$2,000,000	
Interest income	91,660		200,000	
Total estimated revenues		6,423,549		2,200,000
Total available		$7,317,745		$2,200,000
Less estimated expenditures and transfers				
Loans to health care entities[2]	$7,272,609		$2,100,000	
Bank of North Dakota fees	45,136		100,000	
Total estimated expenditures and transfers		7,317,745		2,200,000
Estimated ending balance		$0		$0

[1]Section 4 of 2011 House Bill No. 1021 provided that the Industrial Commission transfer up to $5 million from the current earnings and accumulated undivided profits of the Bank of North Dakota to the health information technology planning loan fund or the health information technology loan fund in the 2011-13 biennium. The Health Information Technology Office director is to request transfers from the Bank of North Dakota only as necessary to meet cashflow needs of the funds and only upon certification by the director of a demonstrated need for health information technology planning loans.

[2]The Health Information Technology Advisory Committee has approved the following loan applications since the program's inception during the 2009-11 biennium through January 21, 2013:

St. Andrew's Health Center (Bottineau)	$625,000
Cooperstown Medical Center	200,000
Wishek Hospital	761,149
Towner County Medical Center (Cando)	694,911
Presentation Medical Center (Rolla)	625,000
West River Health Services (Hettinger)	1,250,000
Ashley Medical Center	625,000
Tioga Medical Center	931,320
St. Luke's Community Hospital and Clinics (Crosby)	541,776
Midgarden Family Clinic (Park River)	101,590
7-Day Clinic Walk-in Express Care (Fargo)	50,000
Linton Hospital	420,115
McKenzie County Health Care System	600,000
Garrison Memorial Hospital	800,000
Nelson County Health System	305,000
Southwest Healthcare System	605,500
St. Alexius Medical Center	1,250,000
Pediatric Therapy Partners	100,000
Valley Health	72,155
Knife River Care Center	125,000
Golden Acres Manor	98,648
Total	$10,782,164

FUND HISTORY

North Dakota Century Code Section 6-09-43 (2009 Senate Bill No. 2332) establishes a health information technology planning loan fund at the Bank of North Dakota for providing low-interest loans to health care entities to assist those entities in improving health information technology infrastructure. This fund is a revolving loan fund. As prescribed in Section 9 of the bill, $5 million was transferred from the Bank of North Dakota to this fund during the 2009-11 biennium. All money transferred into the fund, interest upon money in the fund, and collections of interest and principal on loans made from the fund are appropriated for disbursement. Annually, the Bank may deduct a service fee for administering the revolving loan fund.

An application for a loan must be made to the Health Information Technology Office. The Health Information Technology Office director, in collaboration with the Health Information Technology Advisory Committee, may approve the application of a qualified applicant that meets the criteria established by the Health Information Technology Office director. The Health Information Technology Office is to forward approved applications to the Bank. Upon approval of the application by the Bank, the Bank is to make the loan from the revolving loan fund.

ANALYSIS OF THE LEGACY FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$1,204,118,844
Add estimated revenues				
30 percent of oil and gas gross production and extraction tax collections	$1,073,326,152[1]		$1,481,076,825[2]	
Transfer of oil and gas tax revenues from strategic investment and improvements fund	115,851,159[3]		234,953,556[3]	
Transfer of other revenue sources from strategic investment and improvements fund	9,141,533[4]		47,395,163[4]	
Investment earnings	5,800,000		18,800,000	
Total estimated revenues		1,204,118,844		1,782,225,544
Total available		$1,204,118,844		$2,986,344,388
Total estimated expenditures and transfers		0[5]		0[5]
Estimated ending balance		$1,204,118,844		$2,986,344,388

[1]The amount shown for the 2011-13 biennium reflects actual collections through November 2012 and the December 2012 executive revenue forecast for oil price and production for the remainder of the 2011-13 biennium. This amount does not reflect any transfers from the strategic investment and improvements fund.

[2]Estimated revenues - The executive budget revenue forecast for the 2013-15 biennium projects oil and gas gross production tax and oil extraction tax revenues to total $4,936,992,750 for the 2013-15 biennium, excluding the tribal share of oil produced on Indian reservations. Thirty percent of the projected revenues is $1,481,076,825. This amount does not reflect any transfers from the strategic investment and improvements fund.

[3]Pursuant to North Dakota Century Code Section 15-08.1-08, if the unobligated balance of the strategic investment and improvements fund exceeds $300 million at the end of any month, 25 percent of any revenues received for deposit in the strategic investment and improvements fund in the subsequent month must be deposited instead into the legacy fund. This amount does not reflect additional transfers from the strategic investment and improvements fund from revenue sources other than oil and gas tax revenue.

[4]This amount reflects transfers to the legacy fund from the strategic investment and improvements fund from revenue sources other than oil and gas tax revenue, pursuant to Section 15-08.1-08.

[5]The principal and earnings of the legacy fund may not be spent until after June 30, 2017.

FUND HISTORY

The legacy fund was created in 2010 when the voters of North Dakota approved a constitutional amendment--now Article X, Section 26, of the Constitution of North Dakota--to provide 30 percent of oil and gas gross production and oil extraction taxes on oil and gas produced after June 30, 2011, be transferred to the legacy fund. The principal and earnings of the legacy fund may not be spent until after June 30, 2017, and any expenditure of principal after that date requires a vote of at least two-thirds of the members elected to each house of the Legislative Assembly. Not more than 15 percent of the principal of the legacy fund may be spent during a biennium. The Legislative Assembly may transfer funds from any source to the legacy fund, and such transfers become part of the principal of the fund. The State Investment Board is responsible for investment of the principal of the legacy fund. Interest earnings accruing after June 30, 2017, are transferred to the general fund at the end of each biennium.

ANALYSIS OF THE LIGNITE RESEARCH FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$11,718,069		$14,988,889
Add revenues				
Separate two-cent coal severance tax	$1,200,000		$1,200,000	
Fifty percent of coal severance taxes deposited in the coal development trust fund (result of passage of measure No. 3 in June 1990)	3,375,000		3,375,000	
Twenty percent of coal severance taxes deposited in the coal development trust fund (committed to clean coal projects) (result of passage of constitutional amendment passed by voters in June 1994)	1,350,000		1,350,000	
Investment income on Dakota Gasification Company ammonia plant and Red Trail	1,443,560		849,700	
Five percent of the general fund share of coal conversion tax (2007 HB 1093)	2,500,000		2,500,000	
Revenue bonds/short-term loan	0[1]		0[1]	
Interest income and return of funds	25,000		25,000	
Total revenues		9,893,560		9,299,700
Total available		$21,611,629		$24,288,589
Less expenditures and transfers[2,3]				
Administration	$750,000		$850,000	
Lignite feasibility studies (nonmatching grants)	1,505,375		3,181,500	
Small research grants	1,120,000		1,200,000	
Lignite marketing	491,700		546,000	
Lignite litigation	855,665[4]		1,318,500[4]	
Demonstration projects	1,900,000		12,404,000	
Total expenditures and transfers		6,622,740[5]		19,500,000
Ending balance		$14,988,889		$4,788,589

[1]Pursuant to North Dakota Century Code Section 54-17.5-04, the Industrial Commission may issue revenue bonds or borrow short-term funds from the Bank of North Dakota.

[2]The Industrial Commission has a policy stating that 18 percent of lignite research fund income will be used for small research projects, 56 percent for large demonstration research projects, 21 percent for marketing projects, and 5 percent for administration. The commission has further directed that no single large demonstration research project can receive more than 37.5 percent of available funds.

[3]The Industrial Commission has waived the fund allocation policy and has committed $22 million through the 2011-13 biennium, with $1,360,750 to be spent during the 2003-05 biennium, $2,243,391 during the 2005-07 biennium, $2.2 million during the 2007-09 biennium, $3,972,090 during the 2009-11 biennium, and anticipated expenditures of $678,851 during the 2011-13 biennium and $11,544,918 in subsequent bienniums, for the Lignite Vision 21 Project. The objective of the Lignite Vision 21 Project is to construct new lignite-fired power plants in North Dakota. (These amounts are net of funds expended and then subsequently returned when projects did not proceed.)

[4]Lignite litigation - House Bill No. 1093 (2007) provides that $500,000 of the amount allocated to the lignite research fund in Section 1 of the bill is to be used to pay for fees associated with lignite litigation that may be brought by the state to protect and promote the continued development of lignite resources. Activities associated with the litigation have been initiated with $83,379 spent during the 2007-09 biennium, $60,836 spent during the 2009-11 biennium, $855,665 anticipated to be spent during the 2011-13 biennium, and $1,318,500 during the 2013-15 biennium. The original $500,000 will have been spent by the end of the 2011-13 biennium with additional funding being provided from nonmatching program funds. The state's portion of the litigation costs during the 2013-15 biennium will be from the nonmatching program funds. The lignite industry has agreed to pay $500,000 of the litigation costs.

[5]The Legislative Assembly in 2011 appropriated $19,971,300 for lignite research grants, but progress on the Lignite Vision 21 Project did not proceed as anticipated as a result of uncertainty at the federal level. The Industrial Commission anticipates spending for the Lignite Vision 21 Project to be made during the 2013-15 biennium. The Industrial Commission has continuing appropriation authority for all money deposited in the lignite research fund pursuant to Section 57-61-01.6.

FUND HISTORY

Section 57-61-01.5(2) and Article X, Section 21, of the Constitution of North Dakota, provide for 70 percent of the taxes collected and deposited in the coal development trust fund to be deposited in the lignite research fund. The remaining 30 percent of the funds deposited in the coal development trust fund are to be held in trust and administered by the Board of University and School Lands, which has the authority to invest the funds, and may, as provided by law, lend money from the fund to political subdivisions.

ANALYSIS OF THE PROPERTY TAX RELIEF SUSTAINABILITY FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$295,000,000		$1,086,557,676
Add estimated revenues				
Allocation of oil and gas tax revenues (Section 9 of 2011 HB 1451)	$341,790,000		$341,790,000	
Transfer from general fund for continuation of 75-mill buydown through integrated school aid formula for the 2013-15 biennium (Section 3 of 2013 HB 1015)	53,832,720			
Transfer from general fund for additional 60-mill buydown through integrated school aid formula for the 2013-15 biennium (Section 3 of 2013 HB 1015)	318,551,118			
Transfer from general fund for continuation of 135-mill buydown through integrated school aid formula for the 2015-17 biennium (Section 3 of 2013 HB 1015)	372,383,838			
Total estimated revenues		1,086,557,676		341,790,000
Total available		$1,381,557,676		$1,428,347,676
Less estimated expenditures and transfers				
Transfer to general fund (Section 14 of 2011 HB 1047)	$295,000,000			
Integrated formula payments for mill levy reduction for the 2013-15 biennium (Section 5 of 2013 HB 1013)			$714,173,838	
Total estimated expenditures and transfers		295,000,000		714,173,838
Estimated ending balance		$1,086,557,676		$714,173,838

FUND HISTORY

North Dakota Century Code Section 57-64-05 (2009 Senate Bill No. 2199) establishes a property tax relief sustainability fund for property tax relief programs, pursuant to legislative appropriation. Senate Bill No. 2199 provided an initial transfer of $295 million from the permanent oil tax trust fund to the property tax relief sustainability fund. Chapter 57-51.1 (2011 House Bill No. 1451) provides for an allocation of the state's share of oil and gas tax revenues of $341,790,000 each biennium to the property tax relief sustainability fund after an allocation of $200 million to the general fund.

ANALYSIS OF THE RESOURCES TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$155,940,058		$265,172,286
Add estimated revenues				
Oil extraction tax collections	$384,785,707		$546,953,350	
Repayments and reimbursements	6,138,120		8,614,000	
Investment earnings/miscellaneous income	1,410,000		1,359,000	
Total estimated revenues		392,333,827[1]		556,926,350
Total available		$548,273,885		$822,098,636
Less estimated expenditures and transfers				
State Water Commission - Grants, projects, and project administration, including expenditures approved by the Budget Section pursuant to 2011 SB 2020 and 2011 SB 2371	$273,101,599[2]		$700,875,000[3]	
State Water Commission - Western Area Water Supply Authority $25 million zero interest loan (2011 SB 2020)	0[2]			
Bank of North Dakota - Western Area Water Supply Authority 5 percent interest loan pursuant to 2011 HB 1206	10,000,000[2]			
Transfer to renewable energy development fund			2,734,767[4]	
Transfer to energy conservation grant fund			2,734,767[4]	
Total estimated expenditures and transfers		283,101,599[2]		706,344,534
Estimated ending balance		$265,172,286		$115,754,102

[1]Estimated revenues - 2011-13 - The estimated revenues for the 2011-13 biennium reflect actual revenues through October 2012 and estimated revenues for the remainder of the biennium based on the executive revenue forecast. The current estimate of revenues for the biennium is $179,135,484 more than the estimate of $213,198,343 made at the close of the 2011 special legislative session in November 2011. The increase is attributable to the following changes:

Increase in oil extraction tax collections	$176,152,295
Increase in repayments and reimbursements	2,643,120
Increase in investment income	340,069
Net increase from revenue amount previously estimated for 2011-13	$179,135,484

[2]Sections 1 and 4 of 2011 Senate Bill No. 2020 appropriated $332.4 million, or any additional amount that becomes available, from the resources trust fund for the purpose of defraying the expenses of the State Water Commission for the 2011-13 biennium. The Legislative Assembly added 1 full-time equivalent (FTE) Water Development Division director position funded from the resources trust fund ($231,899) and appropriated an additional $500,000 from the resources trust fund for a remote metering device reimbursement program. The sections relating to the remote metering of water permits were vetoed by Governor Jack Dalrymple. The Legislative Assembly required the commission receive Budget Section approval prior to the expenditure of any funds in excess of funding appropriated to the commission for water and atmospheric resources. In addition, the Legislative Assembly in 2011 House Bill No. 1206 provided the commission make available, from funding appropriated from the resources trust fund for projects, $25 million for a zero interest loan to the Western Area Water Supply Authority. House Bill No. 1206 also appropriated $10 million from the resources trust fund to the Bank of North Dakota for a 5 percent loan to the Western Area Water Supply Authority.

The Legislative Assembly, during its special legislative session in November 2011, appropriated $50 million from the resources trust fund to defray the expenses of the commission (2011 Senate Bill No. 2371), subject to Budget Section approval as provided in Section 4 of Senate Bill No. 2020 relating to the appropriation of additional income in the resources trust fund and the water development trust fund. The Budget Section approved the State Water Commission's requests pursuant to Senate Bill No. 2371 and Section 4 of Senate Bill No. 2020 to spend $50 million of additional funding available in the resources trust fund for the following projects:

December 2011 Budget Section meeting	
City of Minot	$2,500,000
City of Valley City	3,000,000
Souris River Joint Water Resource District	50,000
March 2012 Budget Section meeting	
Burleigh County property acquisitions	1,425,000
City of Minot	17,750,000
City of Burlington	1,039,000
Ward County	11,500,000
June 2012 Budget Section meeting	
Burleigh County storm water pump station	1,282,400
City of Sawyer property acquisitions	184,260
Mouse River additional engineering for flood protection plan	1,926,750
Future property acquisitions for flood control in McHenry and Ward Counties and the city of Minot as determined by the State Water Commission	9,342,590
Total 2011-13 biennium requests approved by the Budget Section	$50,000,000

The State Water Commission estimates 2011-13 expenditures from the resources trust fund to total $283.1 million.

[3]Sections 1 and 4 of 2013 House Bill No. 1020 appropriate $700.9 million, or any additional amount that becomes available, from the resources trust fund for the purpose of defraying the expenses of the State Water Commission for the 2013-15 biennium. If funding available from the resources trust fund for water projects for the 2013-15 biennium exceeds $515 million, Section 6 of House Bill No. 1020 provides legislative intent that, of the funds appropriated to the State Water Commission in the water and atmospheric resources line item, $60 million from the resources trust fund is provided to the State Water Commission for the purpose of paying off or defeasing the commission's outstanding bond issues. Funding from the water development trust fund provided for bond payments ($16.9 million) and contingent funding from the resources trust fund ($60 million) totaling $76.9 million would be available to defease State Water Commission outstanding bond issues of $75,250,000 and pay related fees.

[4]The executive recommendation provides for transfers of one-half of 1 percent of the oil extraction tax revenue deposited in the resources trust fund to each the renewable energy development fund and a newly created energy conservation grant fund to provide energy conservation and efficiency grants to political subdivisions.

FUND HISTORY

The resources trust fund was created pursuant to passage of measure No. 6 in the November 1980 general election. Measure No. 6 created a 6.5 percent oil extraction tax, 10 percent of which was to be allocated to the resources trust fund. In June 1990 the Constitution of North Dakota was amended to establish the resources trust fund as a constitutional trust fund and provide that the principal and income of the fund could be spent only upon legislative appropriations for:

- Constructing water-related projects, including rural water systems.
- Energy conservation programs.

In November 1994 the voters of North Dakota approved a constitutional amendment, which is now Article X, Section 24, of the Constitution of North Dakota, to provide that 20 percent of oil extraction taxes be allocated as follows:

- 50 percent (of the 20 percent) to the common schools trust fund.
- 50 percent (of the 20 percent) to the foundation aid stabilization fund.

North Dakota Century Code Section 57-51.1-07, as amended by 2011 Senate Bill No. 2129, provides that oil extraction tax revenues be distributed as follows:

- 20 percent to the resources trust fund.
- 20 percent allocated as provided in Article X, Section 24, of the Constitution of North Dakota.
- 30 percent to the legacy fund.
- 30 percent to be allocated to the state's general fund with certain funds designated for deposit in the property tax relief sustainability fund, the strategic investment and improvements fund, and the state disaster relief fund as provided in 2011 House Bill No. 1451.

The 2013-15 executive budget recommendation provides for transfers of one-half of 1 percent of the oil extraction tax revenue deposited in the resources trust fund to each the renewable energy development fund and a newly created energy conservation grant fund to provide energy conservation and efficiency grants to political subdivisions.

ANALYSIS OF THE RISK MANAGEMENT FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$5,337,360		$4,884,909
Add estimated revenues				
Premiums	$3,446,987[1]		$1,725,000[2]	
Interest and other revenue	180,000[3]		240,000[3]	
Total estimated revenues		3,626,987		1,965,000
Total available		$8,964,347		$6,849,909
Less estimated expenditures and transfers				
Administration	$1,437,289		$1,482,282	
Claims-related expenses	10,300[4]		10,000[4]	
Claims, litigation, and excess insurance	2,631,849		3,124,000	
Total estimated expenditures and transfers		4,079,438		4,616,282
Estimated ending balance		$4,884,909		$2,233,627

[1]In response to an actuarial review completed in April 2010 by Aon Risk Services, the Risk Management Division assessed $3,750,021 in risk management premiums to state agencies, boards, and commissions and the North Dakota University System for the 2011-13 biennium. Assessments are subject to a risk management discount program for agencies that adopt proactive loss control practices, with a maximum available discount of 15 percent. The amount shown for premiums reflects fiscal year 2012 discounts of $147,884 and fiscal year 2013 discounts of $155,150.

[2]In response to an actuarial review completed in 2012 by Aon Risk Services, the Risk Management Division is assessing a total of $1,875,000 in risk management premiums to state agencies, boards, and commissions and the North Dakota University System for the 2013-15 biennium. Assessments are subject to a risk management discount program for agencies that adopt proactive loss control practices, with a maximum available discount of 15 percent. The amount shown for premiums reflects fiscal year 2014 discounts of $75,000 and estimated fiscal year 2015 discounts of $75,000.

[3]Investment and other revenue relates to realized or projected gains from risk management investments, payments received from salvaged vehicles, and costs and attorney's fees collected for successful lawsuits.

[4]The amounts listed for claims-related expenses are for adjusting consulting services required for large or unusual claims.

FUND HISTORY

In September 1994 the North Dakota Supreme Court abolished the doctrine of sovereign immunity. As a result of this court decision, the 1995 Legislative Assembly passed the Tort Claims Act (1995 Senate Bill No. 2080), which created a risk management fund and assigned the responsibility of administering a risk management program to the Office of Management and Budget.

ANALYSIS OF THE SENIOR CITIZEN SERVICES AND PROGRAMS FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium Actual		2013-15 Biennium Estimated	
Beginning balance		$0		$0
Add revenues				
Allocation from sales, use, and motor vehicle excise tax collections	$3,517,179[1,2]		$3,914,000[1,2]	
Total revenues		3,517,179		3,914,000
Total available		$3,517,179		$3,914,000
Less expenditures and transfers				
State Treasurer - County senior citizen matching grants	$3,476,461[3]		$3,914,000	
Transfer to the general fund	40,718[4]			
Total expenditures and transfers		3,517,179		3,914,000
Ending balance		$0		$0

[1]The allocation from sales, use, and motor vehicle excise tax collections is shown below:

Fiscal Year	Allocation From Sales, Use, and Motor Vehicle Excise Tax Collections	Percentage Increase (Decrease) From Previous Year
2008	$1,163,721 (actual)	N/A
2009	$1,243,493 (actual)	6.9%
2010	$1,310,947 (actual)	5.4%
2011	$1,399,652 (actual)	6.8%
2012	$1,695,832 (actual)	21.2%
2013	$1,821,347 (actual)	7.4%
2014	$1,957,000 (estimate)	7.4%
2015	$1,957,000 (estimate)	0.0%

[2]Senate Bill No. 2242 (2011) increased the amount of state general fund revenue to be allocated to the senior citizen services and programs fund from two-thirds of one mill levied statewide to three-fourths of one mill levied statewide effective for taxable years beginning after December 31, 2010. The bill also increased the amount of grants provided to counties that have approved a mill levy for senior citizen services and programs from two-thirds of the amount levied in the county for senior citizen programs to three-fourths of the amount levied in the county for senior citizen programs, limited to one mill.

[3]The county senior citizen matching grants are shown below:

Fiscal Year	County Senior Citizen Matching Grants	Percentage Increase (Decrease) From Previous Year
2008	$1,153,293 (actual)	N/A
2009	$1,225,933 (actual)	6.3%
2010	$1,298,462 (actual)	5.9%
2011	$1,384,391 (actual)	6.6%
2012	$1,687,098 (actual)	21.9%
2013	$1,789,363 (actual)	6.1%
2014	$1,957,000 (estimate)	9.4%
2015	$1,957,000 (estimate)	0.0%

[4]Any funds remaining at the end of each biennium are transferred to the general fund.

FUND HISTORY

The Legislative Assembly in 2005 approved Senate Bill No. 2267, which created the senior citizen services and programs fund. Statutory provisions are contained in North Dakota Century Code Sections 57-15-56(5) and 57-39.2-26.2. Current statutory provisions provide that each year during July through December, the State Treasurer is to transfer to the fund the portion of sales, use, and motor vehicle excise tax collections that are equivalent to the amount generated from three-fourths of one mill levied statewide as reported by the Tax Commissioner. The Legislative Assembly in 2011 Senate Bill No. 2242 amended statutory provisions to increase the amount of collections to be allocated to the fund from two-thirds of one mill levied statewide to three-fourths of one mill levied statewide effective for taxable years beginning after December 31, 2010. The State Treasurer by March 1 of the following year, pursuant to a continuing appropriation, distributes money in the fund as grants to eligible counties for senior citizen programs. The grants are provided to counties that have approved a mill levy for senior citizen services and programs. Current statutory provisions provide that the amount of each county's annual grant is equal to three-fourths of the amount levied in dollars in the county for senior citizen programs, limited to one mill. The Legislative Assembly in 2011 Senate Bill No. 2242 amended statutory provisions to increase the amount of grants provided to counties from two-thirds of the amount levied for senior citizen programs to three-fourths of the amount levied for senior citizen programs, limited to one mill. The Legislative Assembly provided intent that counties match 50 percent of the state grant with funding from the county general fund or state aid distribution fund receipts. Any money remaining in the fund at the end of each biennium is transferred to the general fund, except in the 2005-07 biennium any remaining money in the fund at the end of the biennium was allocated to those counties that were levying the statutory maximum for senior citizen programs in proportion to the amounts generated by those levies in those counties.

ANALYSIS OF THE STATE AID DISTRIBUTION FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$0
Add estimated revenues				
Sales, use, and motor vehicle excise taxes (based on four-tenths of 1 percent)		207,589,524[1]		246,492,609
Total available		$207,589,524		$246,492,609
Less estimated expenditures and transfers				
Payments to political subdivisions				
County share (53.7 percent)	$111,475,574		$132,366,531	
City share (46.3 percent)	96,113,949		114,126,078	
Total estimated expenditures and transfers		207,589,524		246,492,609
Estimated ending balance		$0		$0

NOTE: The amounts shown reflect the revised 2011-13 revenue forecast (December 2012) and the executive budget revenue forecast for the 2013-15 biennium.

[1]Total revenues of $136,110,767 were anticipated to be deposited in the fund for the 2011-13 biennium based on the forecast at the close of the 2011 regular legislative session.

FUND HISTORY

North Dakota Century Code Section 57-39.2-26.1 provided, prior to January 1999, for a portion of sales, use, and motor vehicle excise tax collections equal to 60 percent of an equivalent one-cent sales tax to be deposited by the State Treasurer in the state aid distribution fund. The Tax Commissioner certified to the State Treasurer the portion of sales, use, and motor vehicle excise tax net revenues that were deposited in the state aid distribution fund. The state aid distribution fund had historically been allocated, subject to legislative appropriation, with 50 percent of revenues for state revenue sharing and 50 percent for personal property tax replacement.

The Legislative Assembly in 1997 amended Section 57-39.2-26.1 to provide that, effective January 1, 1999, deposits into the state aid distribution fund are based on an amount equal to 40 percent of an equivalent one-cent sales tax instead of an amount equal to 60 percent of an equivalent one-cent sales tax. In addition, a continuing appropriation was added which appropriates all revenues deposited in the state aid distribution fund for payments to political subdivisions.

The Legislative Assembly in 1997 also changed the allocation of the state aid distribution fund from 50 percent for personal property tax replacement and 50 percent for revenue sharing to 53.7 percent for counties and 46.3 percent for cities. The allocation for each county includes townships, rural fire protection districts, rural ambulance districts, soil conservation districts, county recreation service districts, county hospital districts, the Garrison Diversion Conservancy District, the Southwest Water Authority, and other taxing districts within the county, excluding school districts, cities, and taxing districts within the cities. The allocation for each city includes park districts and other taxing districts within the city, excluding school districts. The county allocation to townships must be based on the same percentage allocation that a township received in calendar year 1996.

House Bill No. 1025 (2003), which became effective on August 1, 2003, revised the state aid distribution formula for cities and counties to account for population changes resulting from the 2000 federal census. The bill provides for total distribution percentages to cities and counties to remain at 53.7 percent to counties and 46.3 percent to cities; however, the allocation formula to specific counties and cities is:

Population Category Through June 30, 2011			
Counties	**Percentage**	**Cities (Based on Population)**	**Percentage**
17 counties with the largest population (allocated equally)	20.48%	80,000 or more	19.4%
17 counties with the largest population (allocated based on population)	43.52%	20,000 or more but less than 80,000	34.5%
Remaining counties (allocated equally)	14.40%	10,000 or more but less than 20,000	16.0%
Remaining counties (allocated based on population)	21.60%	5,000 or more but less than 10,000	4.9%
		1,000 or more but less than 5,000	13.1%
		500 or more but less than 1,000	6.1%
		200 or more but less than 500	3.4%
		Less than 200	2.6%
Total	100.00%		100.0%

Senate Bill No. 2253 (2011), which became effective July 1, 2011, revised the state aid distribution formula for cities to provide that distributions be based upon the proportion each city's population bears to the total population of all cities. The bill does not change the total distribution percentages to cities and counties which remain at 53.7 percent to counties and 46.3 percent to cities. The allocation formula for specific counties and cities is:

Population Category Effective July 1, 2011		
Counties	**Percentage**	**Cities**
17 counties with the largest population (allocated equally)	20.48%	Based upon the proportion each city's population bears to total population
17 counties with the largest population (allocated based on population)	43.52%	
Remaining counties (allocated equally)	14.40%	
Remaining counties (allocated based on population)	21.60%	
Total	100.00%	

ANALYSIS OF THE STATE DISASTER RELIEF FUND FOR THE 2007-09, 2009-11, 2011-13, AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2007-09 Biennium Actual		2009-11 Biennium Actual		2011-13 Biennium Estimates		2013-15 Biennium Executive Budget	
Beginning balance		$0		$37,623,216		$34,675,167		$56,196,726
Add revenues								
Transfer from the general fund	$43,000,000[1]							
Transfer from the permanent oil tax trust fund (2011 SB 2369)			$22,000,000[2]					
Transfer from the general fund (Section 17 of 2011 SB 2371)					$48,700,000[3]			
Interest income			199,420		92,000		$92,000	
Federal funds - Volunteer hours adjustment and local share federal-to-federal mission assignments			612,263					
National Guard reimbursements			136,057		3,240,000		1,060,000	
Oil and gas tax collections					22,000,000[4]		22,000,000[4]	
Total revenues		43,000,000		22,947,740		74,032,000		23,152,000
Total available		$43,000,000		$60,570,956		$108,707,167		$79,348,726
Less estimated expenditures								
Emergency snow removal grants (2009 SB 2012; 2011 SB 2369)	$5,376,784[5]		$9,000,000[6]					
Costs relating to disasters occurring prior to 2009			513,321[7]		$828,393[8]			
Costs relating to 2009 flooding			5,739,762[7]		6,090,232[8]			
Costs relating to the January 2010 winter snowstorm			1,506,693[7]		319,491[3]			
Costs relating to 2010 flooding			3,390,192[7]		1,757,993[3]			
Costs relating to the April 2010 ice storm			2,854,089[7]		989,127[3]			
Costs relating to the April 2011 blizzard			16,937[7]					
Costs relating to 2011 flooding			2,874,795[7]		13,125,205[3,9,10]		$12,000,000	
Costs relating to flooding in incorporated cities					3,200,000[10]			
Disaster response coordination contract (2011 SB 2016)					400,000[10,11]		400,000[11]	
State disasters and flood mitigation efforts (2011 SB 2016; 2011 SB 2369)					4,800,000[10]			

	2007-09 Biennium Actual		2009-11 Biennium Actual		2011-13 Biennium Estimates		2013-15 Biennium Executive Budget	
Contingent appropriation for 2012 disaster event (Section 16 of 2011 SB 2371)					5,000,000[3]			
Flood-impacted housing assistance grant program (Section 9 of 2011 SB 2371)					10,000,000[3]			
Road grade raising projects - Department of Transportation (Section 14 of 2011 SB 2371)					6,000,000[3]			
Disaster recovery planning and technical services							1,500,000[13]	
Total estimated expenditures and transfers		5,376,784		25,895,789		52,510,441[12]		13,900,000
Estimated ending balance		$37,623,216		$34,675,167		$56,196,726		$65,448,726[14]

[1]Section 5 of 2009 Senate Bill No. 2012 provided the Office of Management and Budget (OMB) transfer $43 million from the general fund to the state disaster relief fund during the 2007-09 biennium.

[2]Senate Bill No. 2369 (2011) provided a $22 million transfer from the permanent oil tax trust fund to the state disaster relief fund and authorized the Adjutant General to use this funding for costs associated with state disasters and flood mitigation efforts.

[3]Section 17 of 2011 Senate Bill No. 2371 provided OMB transfer $48.7 million from the general fund to the state disaster relief fund during the 2011-13 biennium for the following purposes:

Relief Assistance	Transfer Amount	Appropriation Authority
Disaster-related expenses	$32,700,000	Section 15 of 2011 Senate Bill No. 2371 provided appropriation authority of $29.5 million from the state disaster relief fund to the Adjutant General for providing the required state share of funding for expenses associated with presidentially declared state disasters. Section 16 of Senate Bill No. 2371 provided a contingent appropriation of $5 million from the state disaster relief fund to the Adjutant General relating to grants to political subdivisions for a portion of the local share required to match federal emergency relief funding. The funding is contingent upon a 2012 disaster event exceeding $50 million in damages across the state.
Flood-impacted housing assistance grant program	10,000,000	Section 9 of Senate Bill No. 2371 appropriated $10 million from the state disaster relief fund to the Adjutant General for providing: • Additional rebuilders loan program funding to the Bank of North Dakota. • Funding to political subdivisions for flood-impacted housing rehabilitation. Funding must be used as deemed most effective in that community to assist homeowners in rehabilitation or replacement of their flood-damaged homes and to retain homeowners in the community.
Road grade raising grants	6,000,000	Section 14 of Senate Bill No. 2371 appropriated $6 million from the state disaster relief fund to the Department of Transportation for grants to counties for road grade raising projects on federal aid eligible roads.
Total	$48,700,000	

[4]House Bill No. 1451 (2011) created a new section to North Dakota Century Code Chapter 57-51.1 to provide for the allocation of the state's share of oil and gas tax revenues designated for deposit in the general fund under Chapters 57-51 and 57-51.1 as follows:

- The first $200 million is deposited in the general fund;
- The next $341,790,000 is deposited in the property tax relief sustainability fund;
- The next $100 million is deposited in the general fund;
- The next $100 million is deposited in the strategic investment and improvements fund;
- The next $22 million is deposited in the state disaster relief fund; and
- Any additional revenues are deposited in the strategic investment and improvements fund.

For the 2011-13 biennium, the deposit of $22 million of oil and gas tax collections in the state disaster relief fund occurred in October 2012.

[5]Section 6 of 2009 Senate Bill No. 2012 authorized up to $20 million from the state disaster relief fund to be used for providing emergency snow removal grants to counties, cities, and townships in accordance with Section 7 of Senate Bill No. 2012. Section 7 of Senate Bill No. 2012 provided a county, township, or city may apply to the Department of Emergency Services for an emergency snow removal grant for reimbursement of up to 50 percent of the costs incurred by the county, township, or city for the period January 2009 through March 2009 that exceed 200 percent of the average costs incurred for these months in 2004 through 2008. The Department of Emergency Services distributed these grants prior to June 30, 2009.

[6]Section 2 of 2011 Senate Bill No. 2369 authorized up to $9 million from the state disaster relief fund to be used for providing emergency snow removal grants to counties, cities, and townships. Section 2 of Senate Bill No. 2369 provided a county, township, or city may apply to the Department of Emergency Services for an emergency snow removal grant for reimbursement of up to 60 percent of the costs incurred by the county, township, or city for the period January 2011 through March 2011 that exceed 200 percent of the average costs incurred for these months in 2004 through 2008. The Department of Emergency Services distributed $9 million in grants prior to June 30, 2011, and reported to the Budget Section regarding the grants awarded under this section on September 15, 2011.

[7]Section 6 of 2009 Senate Bill No. 2012 authorized up to $23 million from the state disaster relief fund to be used for paying costs relating to the 2009 flood disaster, snow removal damage to roads, and other disasters in accordance with Section 8 of Senate Bill No. 2012. Section 8 of Senate Bill No. 2012 provided a political subdivision receiving federal emergency relief funding relating to disasters occurring from January 2009 through June 2009 may apply to the Department of Emergency Services for an emergency relief grant of up to 50 percent of the local match required to receive the federal emergency relief funding.

[8]Section 1 of 2011 Senate Bill No. 2016 included spending authority of $7.8 million from the state disaster relief fund for expenses related to the 2009 flood disaster ($3,369,258) and other unclosed state disasters ($4,473,046) in the 2011-13 biennium.

[9]Section 5 of 2011 Senate Bill No. 2016 appropriated $3.5 million from the state disaster relief fund to the Adjutant General for the purpose of providing the required state share of funding for defraying the expenses associated with presidential-declared disasters pursuant to Section 37-17.1-27.

[10]Section 4 of 2011 Senate Bill No. 2369 appropriated $22 million from the state disaster relief fund for flood-related costs for the remainder of the 2009-11 biennium and for the 2011-13 biennium. Subject to Emergency Commission and Budget Section approval, the Adjutant General may use the funding for city flood mitigation projects (up to $3.2 million) and for disaster relief relating to 2011 spring flooding, road grade raising projects, 50 percent of the local match for disasters occurring from January 2011 through June 2011, and state expenses associated with presidential-declared disasters in the state. In September 2011 the Adjutant General received Emergency Commission and Budget Section approval for 2011-13 expenses of $17.5 million for flood disasters, $1.2 million for funding specific city flood mitigation projects, and $4.8 million for road grade raising and matching grants to political subdivisions.

[11]In 2011 Senate Bill No. 2016, the Legislative Assembly provided authority to the Department of Emergency Services to utilize funding from the state disaster relief fund to contract for services to coordinate disaster response organizations with state and political subdivision disaster response efforts, including all aspects of disaster recovery from preparedness training through cleanup for declared or undeclared disasters. The executive budget recommends funding of $400,000 for continuing the disaster response coordination contract services for the 2013-15 biennium.

[12]Total 2011-13 state disaster relief fund appropriation authority provided to the Adjutant General consists of:

$22,000,000	see Footnote 10
3,500,000	see Footnote 8
7,842,304	see Footnote 7
400,000	see Footnote 11
42,700,000	see Footnote 3
$76,442,304	

[13]The executive budget recommends funding of $1.5 million for contracted services to provide technical assistance and support to state and local government agencies with emergency management needs associated with preparedness, mitigation, and response and recovery.

[14]The Adjutant General estimates of this amount, $5 million will be obligated for 2011 disaster relief but will not be disbursed until future bienniums.

FUND HISTORY

Section 37-17.1-27 (Section 4 of 2009 Senate Bill No. 2012) establishes a state disaster relief fund. In 2011 Senate Bill No. 2369, the Legislative Assembly amended Section 37-17.1-27 to limit use of money in the fund for only the required state share of funding for expenses associated with presidential-declared disasters in the state and to require Emergency Commission and Budget Section approval of the use of money in the fund. Any interest or other fund earnings must be deposited in the fund. The executive budget recommends amending Section 37-17.1-27 to remove the Budget Section approval requirement, expand the use of funds to include contracting for disaster recovery and mitigation planning and program coordination services, and provide the Adjutant General report to the Budget Section on fund expenditures as requested.

ANALYSIS OF THE STRATEGIC INVESTMENT AND IMPROVEMENTS FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance (transferred from the lands and minerals trust fund)		$249,074,431[1]		$836,665,794
Add estimated revenues				
Production royalties	$115,342,374[2]		$158,160,750[2]	
Mineral leases	421,325[2]		400,000[2]	
Oil and gas bonuses	85,634,745[2]		32,000,000[2]	
Investment earnings	1,951,361[2]		3,133,795[2]	
Oil and gas tax collections	815,640,252[3]		939,814,225[3]	
Total estimated revenues		1,018,990,057		1,133,508,770
Total available		$1,268,064,488		$1,970,174,564
Less estimated expenditures and transfers				
Transfer to legacy fund from oil and gas tax revenue	$115,851,159[4]		$234,953,556[4]	
Transfer to legacy fund from other revenue sources	9,141,533[4]		47,395,163[4]	
Transfer to the general fund (2011 SB 2015)	305,000,000			
Expanded school construction loan program			200,000,000	
Unmanned aerial system (UAS) site operations			4,000,000	
Administrative costs/other fees	1,406,002		1,740,000	
Total estimated expenditures and transfers		431,398,694		488,088,719
Estimated ending balance		$836,665,794		$1,482,085,845
Restricted fund income				
Reserve relating to potential title disputes		$109,593,447[5]		$117,593,447[5]
Bank of North Dakota - Maintain guarantee reserve fund balance (2011 SB 2306)		6,250,000[6]		6,250,000[6]
Ending balance - Undesignated		$720,822,347		$1,358,242,398

[1]House Bill No. 1451 (2011) provided the lands and minerals trust fund be renamed the strategic investment and improvements fund, and as soon as feasible after June 30, 2011, the State Treasurer close out the lands and minerals trust fund and transfer any remaining unobligated balance to the strategic investment and improvements fund. The bill stated it is the intent of the Legislative Assembly that the fund be used for one-time expenditures relating to improving state infrastructure or initiatives to improve the efficiency and effectiveness of state government.

[2]The Department of Trust Lands' projections are based on actual revenues through October 2012 and the December 2012 executive revenue forecast for oil price and production for the remainder of the 2011-13 biennium and the 2013-15 biennium.

[3]House Bill No. 1451 (2011) created a new section to North Dakota Century Code Chapter 57-51.1 to provide for the allocation of the state's share of oil and gas tax revenues designated for deposit in the general fund under Chapters 57-51 and 57-51.1 as follows:

- The first $200 million is deposited in the general fund;
- The next $341,790,000 is deposited in the property tax relief sustainability fund;
- The next $100 million is deposited in the general fund;
- The next $100 million is deposited in the strategic investment and improvements fund;
- The next $22 million is deposited in the state disaster relief fund; and

- Any additional revenues are deposited in the strategic investment and improvements fund.

The amount shown for the 2011-13 biennium reflects actual collections through November 2012 and the December 2012 executive revenue forecast for oil price and production for the remainder of the 2011-13 biennium. The executive budget revenue forecast for the 2013-15 biennium projects oil and gas gross production tax and oil extraction tax revenues to total $4,936,992,750 for the 2013-15 biennium, excluding the tribal share of oil produced on Indian reservations. The amount allocated to the strategic investment and improvements fund after allocations to the general fund, the property tax relief sustainability fund, and the state disaster relief fund is estimated to be $939,814,225. These amounts do not reflect any transfers to the legacy fund.

[4]Pursuant to Section 15-08.1-08, if the unobligated balance of the strategic investment and improvements fund exceeds $300 million at the end of any month, 25 percent of any revenues received for deposit in the strategic investment and improvements fund in the subsequent month must be deposited instead into the legacy fund.

[5]These funds represent oil and gas bonuses received from areas of the Yellowstone and Missouri Rivers and Lake Sakakawea where mineral rights are in dispute. Based on the outcome of legal settlements, these funds may need to be returned. Pursuant to action of the Board of University and School Lands, this portion of the fund balance is designated to be held in reserve pending the settlement of mineral ownership title disputes.

[6]Senate Bill No. 2306 (2011) provided guarantees on fuel production facility loans administered by the Bank of North Dakota be increased by $10.5 million to $12.5 million, and the value of all fuel production facility loan guarantees is increased by $15 million, from $10 million to $25 million. Money in the strategic investment and improvements fund is available to the Bank to maintain 25 percent of the guarantee reserve fund balance not to exceed a total of $6.25 million. Any money transferred from the strategic investment and improvements fund to maintain the guarantee reserve fund is available to reimburse lenders for guaranteed loans in default.

FUND HISTORY

House Bill No. 1451 (2011) provided the lands and minerals trust fund be renamed the strategic investment and improvements fund, and as soon as feasible after June 30, 2011, the State Treasurer close out the lands and minerals trust fund and transfer any remaining unobligated balance to the strategic investment and improvements fund. The lands and minerals trust fund originated in 1977 when the Legislative Assembly transferred to the Board of University and School Lands possessory interest in properties obtained by the Bank of North Dakota, including tracts of real property and reserved mineral interests.

All income from the sale, lease, and management of the mineral interests relating to these properties is deposited in the strategic investment and improvements fund, pursuant to Section 15-08.1-08. The principal and interest of the fund may be used for one-time expenditures relating to improving state infrastructure or for initiatives to improve the efficiency and effectiveness of state government. Money in the fund may be included in draft appropriation Acts under Section 54-44.1-06 and may be appropriated by the Legislative Assembly, but only to the extent the money is estimated to be available at the beginning of the biennium in which the appropriations are authorized.

If the unobligated balance in the fund at the end of any month exceeds $300 million, 25 percent of any revenues received for deposit in the fund in the subsequent month must be deposited instead into the legacy fund. Unobligated balance in the fund is defined as the balance in the fund reduced by appropriations or transfers from the fund authorized by the Legislative Assembly, guarantee reserve fund requirements under Section 6-09.7-05, and any fund balance designated by the Board of University and School Lands relating to potential title disputes related to certain riverbed leases.

ANALYSIS OF THE STUDENT LOAN TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING BOTH THE 1979 AND 1996 BOND RESOLUTIONS AND THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium[1]		2013-15 Biennium[1]	
Beginning balance		$45,793,541		$40,113,797
Add estimated revenues				
Fund earnings (net)	$325,000[2]		$250,000[2]	
Total available		$46,118,541		$40,363,797
Less estimated expenditures and transfers				
Funding for veterinary medical education program	$465,307[3]		$465,307[6]	
Funding for North Dakota University System information technology services	539,437[4]		539,437[7]	
Transfer to North Dakota Student Loan Guarantee Agency	5,000,000[5]			
Total estimated expenditures and transfers		6,004,744		1,004,744
Estimated ending balance		$40,113,797		$39,359,053

[1]This analysis reflects the estimated revenues, expenditures, and ending balance for **both the 1979 and 1996 bond resolutions**. Prior analyses of the student loan trust fund have not included information for the 1996 bond resolution. Prior to fiscal year 2012, permission was needed from the Ambac Assurance Corporation to use any assets from the 1996 bond resolution. However, there are no longer any bonds insured by the Ambac Assurance Corporation.

[2]The projected income for the 2011-13 and 2013-15 bienniums is based on interest rates as of December 1, 2012, and is net of the Industrial Commission and trustee expenses.

[3]The Legislative Assembly in 2011 provided $465,307 of funding from the student loan trust fund for the Kansas State University veterinary medical education program. This represents a funding decrease of $525,663 from the 2009-11 biennium program appropriation from the student loan trust fund. The Legislative Assembly in 2011 provided a general fund increase of $510,000 for the program to offset the reduced funding from the student loan trust fund.

[4]The Legislative Assembly in 2011 provided $539,437 of funding from the student loan trust fund for the University System information technology services pool for ConnectND positions within the University System. This represents a funding decrease of $481,163 from the 2009-11 biennium program appropriation from the student loan trust fund. The Legislative Assembly in 2011 provided the information technology services pool with a general fund increase of $590,000 to offset the reduced funding from the student loan trust fund.

[5]Pursuant to the provisions of the 1996 bond resolution, the Industrial Commission on October 23, 2012, authorized the transfer of $5 million from the student loan trust fund to the North Dakota Student Loan Guarantee Agency to maintain the reserve requirements for projected alternative loan guarantees.

[6]The 2013-15 executive budget recommendation includes $465,307 of funding from the student loan trust fund for the Kansas State University veterinary medical education program. This represents the same level of funding as provided in the 2011-13 biennium.

[7]The 2013-15 executive budget recommendation includes $539,437 of funding from the student loan trust fund for the University System information technology services pool for ConnectND positions within the University System. This represents the same level of funding as provided in the 2011-13 biennium.

FUND HISTORY

The Legislative Assembly in 1971 authorized the Industrial Commission to acquire and hold all unpaid government-guaranteed or reinsured student loans and North Dakota student loans belonging to the state or any of its agencies. As a result, the student loan trust fund was created which enabled the state to sell tax-exempt bonds and use the proceeds for purchasing student loans made or acquired by the Bank of North Dakota.

The student loan trust fund does not make loans to students or service loans which it acquires. The Bank continues to service those loans which the student loan trust fund holds.

The student loan trust fund is comprised of funds held under two general bond resolutions. The first general bond resolution includes funds from bonds issued in 1979, 1988, 1989, 1992, and 2004. The second general bond resolution--referred to as the 1996 bond resolution--includes funds from bonds issued in 1996, 1997, 1998, and 2000. All bond issuances prior to 2004 were insured by Ambac Assurance Corporation. There are no longer any outstanding bonds insured by Ambac Assurance Corporation.

Under both of the bond resolutions, assets may only be used for:

- Purchase of student loans.
- Payment of debt service to bondholders.
- Providing financial assistance to the North Dakota Student Loan Guarantee Agency.
- Payment of any rebate liability to the federal government.
- Administration of the student loan trust fund.

After all bonds in the 1979 and 1996 bond resolutions have matured, been redeemed or defeased and all expenses paid, and the resolutions closed, any remaining assets held under the bond resolutions would be transferred to the Industrial Commission for use at its discretion and as allowed by law. As of June 30, 2012, $3.2 million in bonds remains outstanding. In order to use assets held under the 1979 and 1996 general bond resolutions for a purpose other than those stated in the general bond resolution, the administrator of the student loan trust fund must receive a certification from the trustee of the bond (Bank of North Dakota) that sufficient reserves remain for bond payments and other related program costs. Prior to 2012, permission needed to be obtained from Ambac Assurance Corporation for any use of assets held in the 1996 general bond resolution. However, there are no longer any bonds insured by Ambac Assurance Corporation.

North Dakota Century Code Section 54-17-25 provides the Industrial Commission may issue subordinate or residual bonds when the commission determines that it is appropriate or expedient to do so.

ANALYSIS OF THE TOBACCO PREVENTION AND CONTROL TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$29,556,426		$39,381,797
Add estimated revenues				
Tobacco settlement revenues collected to date	$11,392,521[1]		$0	
Projected tobacco settlement revenues	11,289,380[2]		22,578,760[2]	
Investment income	66,084		112,894	
Total estimated revenues		22,747,985[3]		22,691,654[3]
Total available		$52,304,411		$62,073,451
Less estimated expenditures and transfers				
Tobacco Prevention and Control Executive Committee expenditures	$12,922,614[4]		$13,016,197[4]	
Total estimated expenditures and transfers		12,922,614		13,016,197
Estimated ending balance		$39,381,797		$49,057,254

[1]As of November 2012, the state has received tobacco settlement payments totaling $31,519,737 for the 2011-13 biennium, of which $20,127,216 was deposited in the tobacco settlement trust fund and $11,392,521 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of $367,842,018, including $305,053,125 under subsection IX(c)(1) of the Master Settlement Agreement and $62,788,893 under subsection IX(c)(2) of the Master Settlement Agreement. Of the $367,842,018, $318,850,854 has been deposited into the tobacco settlement trust fund and $48,991,164 has been deposited into the tobacco prevention and control trust fund.

[2]Tobacco prevention and control trust fund revenues have been estimated based on the average of actual revenues received into the tobacco prevention and control trust fund in fiscal years 2011 and 2012.

[3]Initiated measure No. 3 approved in the November 2008 general election provides if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the executive committee to adequately provide for the comprehensive plan. The Legislative Assembly in Section 39 of 2009 House Bill No. 1015 provided any money deposited in the water development trust fund under North Dakota Century Code Section 54-27-25 may only be spent pursuant to legislative appropriations.

The measure will result in the following estimated allocation of the revised estimated collections of the tobacco settlement payments through 2025:

	Actual and Estimated Total Tobacco Settlement Proceeds	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)		
			Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A	$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million	11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million	18.2 million	18.2 million	4.1 million
Estimated 2011-13 biennium	62.8 million	22.6 million	18.1 million	18.1 million	4.0 million
Estimated 2013-15 biennium	62.6 million	22.6 million	18.0 million	18.0 million	4.0 million
Estimated 2015-17 biennium	73.7 million	27.6 million	20.8 million	20.8 million	4.5 million
Estimated 2017-19 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2019-21 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Total	$548.7 million	$110.4 million	$197.2 million	$197.2 million	$43.9 million

[4]The Legislative Assembly in 2011 appropriated $12,922,614 from the tobacco prevention and control trust fund to the Tobacco Prevention and Control Executive Committee for the purpose of providing a level of funding that will meet the annual level recommended by the Centers for Disease Control and Prevention for North Dakota as published in its *Best Practices for Comprehensive Tobacco Control* for the 2011-13 biennium. The 2013-15 executive budget recommendation provides $13,016,197 from the tobacco prevention and control trust fund to the Tobacco Prevention and Control Executive Committee.

FUND HISTORY

The tobacco prevention and control trust fund was created as a result of voter approval of initiated measure No. 3 in the November 2008 general election. The measure added seven new sections to the North Dakota Century Code and amended Section 54-27-25 to establish the Tobacco Prevention and Control Advisory Committee and an executive committee, develop and fund a comprehensive statewide tobacco prevention and control plan, and create a tobacco prevention and control trust fund to receive tobacco settlement dollars to be administered by the executive committee. The measure provides for the advisory committee, appointed by the Governor, to develop the initial comprehensive plan and select an executive committee responsible for the implementation and administration of the comprehensive plan. The initiated measure became effective 30 days after the election (December 4, 2008).

Tobacco settlement payments received by the state under the Master Settlement Agreement are derived from two subsections of the Master Settlement Agreement. Subsection IX(c)(1) of the Master Settlement Agreement provides payments on April 15, 2000, and on April 15 of each year thereafter in perpetuity, while subsection IX(c)(2) of the Master Settlement Agreement provides for additional strategic contribution payments that began on April 15, 2008, and continue each April 15 thereafter through 2017. Section 54-27-25, created by 1999 House Bill No. 1475, did not distinguish between payments received under the separate subsections of the Master Settlement Agreement and provided for the deposit of all tobacco settlement money received by the state into the tobacco settlement trust fund. Money in the fund, including interest, is transferred within 30 days of deposit in the fund as follows:

- 10 percent to the community health trust fund.
- 45 percent to the common schools trust fund.
- 45 percent to the water development trust fund.

The measure provides for a portion of tobacco settlement dollars received by the state to be deposited in the newly created tobacco prevention and control trust fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement will continue to be deposited in the tobacco settlement trust fund and allocated 10 percent to the community health trust fund (with 80 percent used for tobacco prevention and control), 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement will be deposited into the tobacco prevention and control trust fund. Interest earned on the balance in this fund will be deposited in the fund. The fund will be administered by the executive committee created by the measure for the purpose of creating and implementing the comprehensive plan.

The measure also provides if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the executive committee to adequately provide for the comprehensive plan. The Legislative Assembly in Section 39 of 2009 House Bill No. 1015 provided any money deposited in the water development trust fund under Section 54-27-25 may only be spent pursuant to legislative appropriation.

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the Master Settlement Agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. In 2009 tobacco settlement payments began to be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25 as amended by the measure.

ANALYSIS OF THE TOBACCO SETTLEMENT TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$0		$0
Add estimated revenues				
Tobacco settlement revenues collected to date	$20,127,216[1]		$0	
Projected tobacco settlement revenues	20,000,000		40,000,000	
Total estimated revenues		40,127,216[2]		40,000,000[2]
Total available		$40,127,216[3,4]		$40,000,000[3,4]
Less estimated expenditures and transfers				
Transfers to the community health trust fund	$4,012,722		$4,000,000	
Transfers to the common schools trust fund	18,057,247		18,000,000	
Transfers to the water development trust fund	18,057,247		18,000,000	
Total estimated expenditures and transfers		40,127,216		40,000,000
Estimated ending balance		$0		$0

[1]As of November 2012, the state has received tobacco settlement payments totaling $31,519,737 for the 2011-13 biennium, of which $20,127,216 was deposited in the tobacco settlement trust fund and $11,392,521 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of $367,842,018, including $305,053,125 under subsection IX(c)(1) of the Master Settlement Agreement and $62,788,893 under subsection IX(c)(2) of the Master Settlement Agreement. Of the $367,842,018, $318,850,854 has been deposited into the tobacco settlement trust fund and $48,991,164 has been deposited into the tobacco prevention and control trust fund.

[2]Revenues - House Bill No. 1475 (1999) (North Dakota Century Code Section 54-27-25) provides interest on the money in the tobacco settlement trust fund must be retained in the fund, and the principal and interest must be allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. The interest earned on the money in the tobacco settlement trust fund will increase the amount available for transfers to the other funds. However, because of uncertainty regarding the timing of the receipt of the tobacco settlement proceeds, interest earned on the balance of the tobacco settlement trust fund has not been included in this analysis. Tobacco settlement revenues collected to date have been transferred immediately to the proper trust funds; therefore, no interest has been earned by the tobacco settlement trust fund to date.

In the November 2008 general election, voters approved initiated measure No. 3 that amends Section 54-27-25 to provide a portion of tobacco settlement funds received by the state be deposited in the newly created tobacco prevention and control trust fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continue in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement, which began in 2008 and continues through 2017, was deposited beginning in 2009 in the tobacco prevention and control trust fund. The amount received under subsection IX(c)(2) of the Master Settlement Agreement for 2008 was $13,797,729, which, because it was received prior to passage of the measure, was allocated pursuant to Section 54-27-25 prior to amendment. Remaining tobacco settlement trust fund revenues have been estimated based on the average of actual revenues received into the tobacco settlement trust fund in fiscal years 2011 and 2012 and do not include anticipated strategic contribution payments, which are deposited in the tobacco prevention and control trust fund.

[3]In 2006 certain tobacco companies began reducing their tobacco settlement payments to North Dakota contending that the Master Settlement Agreement allows for the payments to be reduced if they lose sales to small cigarette makers that did not participate in the agreement and if states do not enforce laws intended to make smaller tobacco companies set aside money for legal claims. The Attorney General's office has filed a lawsuit against the tobacco companies to collect the

full payment. The total original estimated tobacco settlement collections, including payments to be received under both subsection IX(c)(1) and subsection IX(c)(2) of the Master Settlement Agreement, and the total actual and estimated collections as revised by the Office of Management and Budget are:

Biennium	1999 Original Estimated Collections	Actual and Office of Management and Budget Revised Estimated Collections
1999-2001	$57,593,770	$52,900,784
2001-03	61,143,578	53,636,363
2003-05	51,271,214	46,310,010
2005-07	51,271,214	43,828,118
2007-09	82,231,080	75,633,409
2009-11	82,231,080	64,013,596
2011-13	82,231,080	62,809,118
2013-15	82,231,080	62,578,760
2015-17	82,231,080	73,687,266
2017-25 ($58,591,490/$52,503,832 per biennium)	234,365,960	210,015,328
Total	$866,801,136	$745,412,752

[4]Initiated measure No. 3, approved by voters in the November 2008 general election, will result in the following estimated allocation of the revised estimated collections of the tobacco settlement payments through 2025:

	Actual and Estimated Total Tobacco Settlement Proceeds	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)		
			Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A	$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million	11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million	18.2 million	18.2 million	4.1 million
Estimated 2011-13 biennium	62.8 million	22.6 million	18.1 million	18.1 million	4.0 million
Estimated 2013-15 biennium	62.6 million	22.6 million	18.0 million	18.0 million	4.0 million
Estimated 2015-17 biennium	73.7 million	27.6 million	20.8 million	20.8 million	4.5 million
Estimated 2017-19 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2019-21 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Total	$548.7 million	$110.4 million	$197.2 million	$197.2 million	$43.9 million

FUND HISTORY

Section 54-27-25, created by 1999 House Bill No. 1475, established a tobacco settlement trust fund for the deposit of all tobacco settlement money obtained by the state. Money in the fund, including interest, must be transferred within 30 days of its deposit in the fund:

- 10 percent to the community health trust fund.
- 45 percent to the common schools trust fund.
- 45 percent to the water development trust fund.

In the November 2008 general election, voters approved initiated measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure provides for a portion of tobacco settlement funds received by the state to be deposited in a new fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continues in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement, relating to strategic contribution payments, which began in 2008 and continue through 2017, began to be deposited in 2009 into the newly created tobacco prevention and control trust fund.

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the Master Settlement Agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. In 2009 tobacco settlement payments began to be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25 as amended by the measure.

ANALYSIS OF THE STATE TUITION FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$1,262,358[1]		$2,409,132[1]
Add estimated revenues				
Fines for violation of state laws	$11,146,774[2]		$10,000,000[2]	
Transfers from the common schools trust fund	92,514,000		130,326,000	
Total estimated revenues		103,660,774		140,326,000
Total available		$104,923,132		$142,735,132
Less estimated expenditures and transfers				
State aid to schools	$102,514,000[3]		$140,326,000	
Total estimated expenditures and transfers		102,514,000[1]		140,326,000[1]
Estimated ending balance		$2,409,132[1]		$2,409,132[1]

[1]Beginning/ending balance - North Dakota Century Code Section 15.1-28-03 provides for the distribution of money in the state tuition fund in August, September, October, November, December, January, February, March, and April of each fiscal year. Fine proceeds deposited in the tuition fund during May and June of each fiscal year are carried forward for distribution in August of the subsequent year.

[2]Fines for violation of state laws - Fine proceeds estimated to be deposited in the state tuition fund during the 2011-13 biennium are based on actual fines deposited into the fund through December 2012 and estimated fine proceeds for the remainder of the 2011-13 biennium. Fine proceeds estimated to be deposited in the state tuition fund during the 2013-15 biennium are based on the November 2012 executive forecast. The amount of state tuition fund distributions from fine proceeds is shown below.

[3]The Legislative Assembly in 2011 provided $101,638,000 from the state tuition fund for state school aid payments during the 2011-13 biennium. In addition, Section 7 of 2011 Senate Bill No. 2013 provides that any money available in the state tuition fund in excess of the $101,638,000 is appropriated to the Department of Public Instruction for distribution to school districts. The department anticipates distributing additional funds available for state school aid during the 2011-13 biennium.

Fiscal Year	Revenue From Fines	Percentage Increase (Decrease) From Previous Year
1998	$3,384,890 (actual)	
1999	$3,818,890 (actual)	12.8%
2000	$4,866,644 (actual)	27.4%
2001	$4,241,256 (actual)	(12.9%)
2002	$4,778,756 (actual)	12.7%
2003	$4,607,423 (actual)	(3.6%)
2004	$4,721,407 (actual)	2.5%
2005	$4,507,137 (actual)	(4.5%)
2006	$4,506,316 (actual)	(0.01%)
2007	$4,590,395 (actual)	1.9%
2008	$4,692,048 (actual)	2.2%
2009	$4,452,118 (actual)	(5.1%)
2010	$4,593,325 (actual)	3.2%
2011	$4,963,691 (actual)	8.1%

2012	$5,769,861 (actual)	13.5%
2013	$5,376,913 (estimate)	(6.8%)
2014	$5,000,000 (estimate)	(7.0%)
2015	$5,000,000 (estimate)	0.0%

FUND HISTORY

The state tuition fund originated in 1889 with enactment of the Constitution of North Dakota. The original constitutional provisions have not changed significantly since enactment and are currently contained in Article IX, Section 2, of the Constitution of North Dakota, which provides that payments to the common schools trust fund of the state include:

- Interest and income from the common schools trust fund.
- All fines for violation of state laws.
- All other amounts provided by law.

Section 15.1-28-01 provides that the state tuition fund consists of the net proceeds from all fines for violation of state laws and leasing of school lands (included in transfers from the common schools trust fund) and the interest income from the state common schools trust fund. Section 15.1-28-03 directs the Office of Management and Budget, on or before the third Monday in January, February, March, April, August, September, October, November, and December of each year, to certify to the Superintendent of Public Instruction the amount of the state tuition fund. Prior to the 2007-09 biennium, the Superintendent apportioned the money in the state tuition fund among the school districts in the state based on the number of school-age children in the district. The Legislative Assembly in 2007 Senate Bill No. 2200 consolidated funding for the state school aid program, including per student payments, teacher compensation payments, special education average daily membership payments, revenue supplemental payments, and tuition apportionment payments, into a new state school aid funding formula with a new distribution methodology; therefore, beginning with the 2007-09 biennium, the Superintendent includes the money in the state tuition fund in state school aid payments to school districts as determined by Chapter 15.1-27.

ANALYSIS OF THE VETERANS' POSTWAR TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$4,317,561[1]		$4,592,561
Add estimated revenues and other funds available for benefits				
Investment income	$275,000[2]		$275,000[2]	
Total estimated revenues and other funds		275,000		275,000
Total available		$4,592,561		$4,867,561
Less estimated expenditures and transfers				
Grants and related expenditures				
Administrative committee travel				
Veterans' Home activities				
Vehicles - Vans				
Veterans' transportation programs				
Other veterans' programs				
Appeals Committee				
Stand Down (outreach to homeless veterans)				
Estimated income available for programs that benefit veterans	$0[3]		$224,000[4]	
Total estimated expenditures and transfers		0[3]		224,000[4]
Estimated ending balance		$4,592,561		$4,643,561

[1]The State Treasurer provided transfers totaling $200,000 to the Administrative Committee on Veterans' Affairs for programs that benefit veterans or their dependents during the 2009-11 biennium. In addition, revenue from the sale of vans ($8,000) and funding available from the 2007-09 biennium ($8,292) was also available for programs during the 2009-11 biennium. The administrative committee provided benefits totaling $156,887 during the 2009-11 biennium, leaving unexpended funding of $59,405 at the end of the 2009-11 biennium. This unexpended funding is available for benefits during the 2011-13 biennium and included in the beginning balance.

[2]The State Treasurer has not provided investment income estimates for the 2011-13 or 2013-15 bienniums. Investment income for the 2011-13 biennium and the 2013-15 biennium is estimated based on the average monthly change in the fund value through November 2012.

[3]Prior to July 2011, North Dakota Century Code Section 37-14-14 appropriated, on a continuing basis, all income of the veterans' postwar trust fund to the Administrative Committee on Veterans' Affairs for programs that benefit veterans or their dependents. The Legislative Assembly in 2011 House Bill No. 1468 amended Section 37-14-14 to provide that all income earned in a biennium is appropriated to the Administrative Committee on Veterans' Affairs on a continuing basis in the following biennium, and not in the biennium in which it is earned, for authorized programs. Therefore, the investment income earned by the fund during the 2011-13 biennium will not be available for programs until the 2013-15 biennium. The Legislative Assembly in 2011 House Bill No. 1468 also provided $210,000 from the general fund to the Department of Veterans' Affairs to be used in lieu of income generated from the veterans' postwar trust fund for the programs that benefit veterans or their dependents during the 2011-13 biennium and $50,000 from the general fund to the Department of Veterans' Affairs for the purchase of vans to transport veterans or their dependents. In addition, the Legislative Assembly in 2011 House Bill No. 1177 provided $20,000 from the general fund for "stand down" events to coordinate benefits and provide services to needy veterans in the state.

Through November 2012, the Department of Veterans' Affairs has spent $134,881 of the $210,000 provided from the general fund for benefits during the 2011-13 biennium, including $125,355 for grants; $29,000 of the $50,000 provided from the general fund for vans; and none of the $20,000 provided from the general fund for "stand down" events.

[4]Pursuant to provisions of 2011 House Bill No. 1468, investment income earned during the 2011-13 biennium is not available for program expenditures until the 2013-15 biennium and the investment income earned during the 2013-15 biennium will be available during the 2015-17 biennium. The amount shown for income available for benefits does not include investment changes in market value. The amount is based on income earned through November 2012 and estimated through the remainder of the biennium based on average monthly income.

NOTE: Since the 1993-95 biennium, the **principal balance of the fund has been identified as $4,101,849**. The fund balance of the veterans' postwar trust fund as of November 30, 2012, was $4,453,494.

FUND HISTORY

Established

The fund was created by Section 6 of 1981 Senate Bill No. 2271:

> **SECTION 6. TRANSFER OF VIETNAM BONUS FUNDS TO VETERANS' POSTWAR TRUST FUND.** All unobligated moneys in the Vietnam veterans' adjusted compensation funds in the state treasury after July 1, 1981, shall be transferred by the state treasurer to the veterans' postwar trust fund. Any obligations of such funds as a result of any amendment of section 37-25-10 by the forty-seventh legislative assembly shall be paid out of the veterans' postwar trust fund and the moneys necessary to meet those obligations are hereby appropriated.

1988 Initiated Measure No. 4

Initiated measure No. 4, approved by the voters in the November 1988 general election, provided the following:

- Established the veterans' postwar trust fund as a permanent fund.
- Required the State Treasurer to transfer $740,000 per year for five years commencing July 1, 1989, from the state general fund or other sources as appropriated by the Legislative Assembly to the veterans' postwar trust fund to total $3.7 million.
- Appropriated the income from the veterans' postwar trust fund on a continuing basis to the Administrative Committee on Veterans' Affairs to be spent for veterans' programs as authorized by law.
- Required the State Treasurer to invest the fund in legal investments as provided by Section 21-10-07.

The principal balance in the fund on December 8, 1988, was $401,849.

Senate Bill No. 2009 (1989) transferred $1,480,000, $740,000 on July 1, 1989, and $740,000 on July 1, 1990, from the state general fund to the veterans' postwar trust fund. The bill also appropriated up to $274,000 of investment income earned on the veterans' postwar trust fund balance to the Veterans' Home for its operating costs. Because of net budget reductions during the 1989-91 biennium, the transfer from the general fund to the veterans' postwar trust fund for the second year of the 1989-91 biennium was reduced by $95,005, from $740,000 to $644,995.

Senate Bill No. 2001 (1991) transferred $1,575,005 from the general fund to the veterans' postwar trust fund during the 1991-93 biennium. This amount restored the $95,005 which was not transferred during the 1989-91 biennium because of net budget reductions. Because of budget allotments ordered by the Governor during the 1991-93 biennium, the transfer from the general fund to the veterans' postwar trust fund for the second year of the 1991-93 biennium was reduced by $5,670, from $740,000 to $734,330.

House Bill No. 1001 (1993) transferred $745,670 from the general fund to the veterans' postwar trust fund during the 1993-95 biennium. This was the final transfer required by the initiated measure and included $5,670 to restore the reduction made during the 1991-93 biennium because of budget reductions.

1996 Initiated Constitutional Measure No. 4

Initiated constitutional measure No. 4, approved by the voters in the November 1996 general election, created the following new section to Article X of the Constitution of North Dakota:

> The veterans' postwar trust fund shall be a permanent trust fund of the state of North Dakota and shall consist of moneys transferred or credited to the fund as authorized by legislative enactment. Investment of the fund shall be the responsibility of the state treasurer who shall have full authority to invest the fund only in the same manner as the state investment board is authorized to make investments. All income received from investments is to be utilized for programs which must be of benefit and service to veterans, who are defined by legislative enactment, or their dependents, and such income is hereby appropriated to the administrative committee on veterans' affairs on a continuing basis for expenditure upon those programs selected at the discretion of the administrative committee on veterans' affairs.

2011 House Bill No. 1468

The Legislative Assembly in House Bill No. 1468 amended Section 37-14-14 to provide that all income earned in a biennium is appropriated to the Administrative Committee on Veterans' Affairs on a continuing basis in the following biennium, and not in the biennium in which it is earned, for authorized programs.

ANALYSIS OF THE WATER DEVELOPMENT TRUST FUND FOR THE 2011-13 AND 2013-15 BIENNIUMS (REFLECTING THE 2013-15 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2011-13 Biennium		2013-15 Biennium	
Beginning balance		$25,209,356		$26,326,869
Add estimated revenues				
Transfers to date from tobacco settlement trust fund	$9,057,247[1]		$0	
Projected remaining transfers from tobacco settlement trust fund	9,000,000[2]		18,000,000[2]	
Total estimated revenues		18,057,247[3]		18,000,000[3]
Total available		$43,266,603		$44,326,869
Less estimated expenditures and transfers				
State Water Commission (2011 SB 2020; 2013 HB 1020)				
Water projects	$0[4]		$27,368,500[5]	
Bond payments	16,939,734[4]		16,881,500[5]	
Total estimated expenditures and transfers		16,939,734		44,250,000
Estimated ending balance		$26,326,869		$76,869

[1]As of November 2012, $9,057,247 has been transferred from the tobacco settlement trust fund for the 2011-13 biennium. Total transfers of $143,482,884 have been made from the tobacco settlement trust fund to the water development trust fund.

[2]Revenues - Interest earned on the water development trust fund is deposited in the state general fund. Water development trust fund revenues have been estimated based on the average of actual revenues received into the water development trust fund in fiscal years 2011 and 2012.

[3]Initiated measure No. 3 (2008) resulted in the following estimated allocation of the revised estimated collections for tobacco settlement payments through 2025:

	Actual and Estimated Total Tobacco Settlement Proceeds	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)		
			Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A	$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million	11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million	18.2 million	18.2 million	4.1 million
Estimated 2011-13 biennium	62.8 million	22.6 million	18.1 million	18.1 million	4.0 million
Estimated 2013-15 biennium	62.6 million	22.6 million	18.0 million	18.0 million	4.0 million
Estimated 2015-17 biennium	73.7 million	27.6 million	20.8 million	20.8 million	4.5 million
Estimated 2017-19 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2019-21 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A	23.6 million	23.6 million	5.3 million
Total	$548.7 million	$110.4 million	$197.2 million	$197.2 million	$43.9 million

In 2006 certain tobacco companies began reducing their tobacco settlement payments to North Dakota contending that the Master Settlement Agreement allows for the payments to be reduced if they lose sales to small cigarette makers that did not participate in the agreement and if states do not enforce laws intended to make smaller tobacco companies set aside money for legal claims. The Attorney General's office has filed a lawsuit against the tobacco companies to collect full payment.

[4]The Legislative Assembly in 2011 provided a total of $37,189,734, or any additional funding that becomes available, from the water development trust fund for the purpose of defraying the expenses of the State Water Commission for the 2011-13 biennium. However, the expenditure of any funds in excess of the funding appropriated in the water and atmospheric resources line item in Section 1 of Senate Bill No. 2020 requires Budget Section approval. Bond payments for the 2011-13 biennium are estimated to total $16,939,734. The remaining balance is available for State Water Commission projects; however, the State Water Commission does not anticipate expenditures for water projects from the water development trust fund during the 2011-13 biennium.

[5]Sections 1 and 4 of 2013 House Bill No. 1020 appropriate $44,250,000, or any additional funding that becomes available, from the water development trust fund for the purpose of defraying the expenses of the State Water Commission for the 2013-15 biennium, including bond payments. Bond payments for the 2013-15 biennium are estimated to total $16,881,500. The remainder of the funds appropriated totaling $27.4 million is available for water projects. However, if funding available from the resources trust fund for water projects for the 2013-15 biennium exceeds $515 million, Section 6 of House Bill No. 1020 provides legislative intent that, of the funds appropriated to the State Water Commission in the water and atmospheric resources line item, $60 million from the resources trust fund is provided to the State Water Commission for the purpose of paying off or defeasing the commission's outstanding bond issues. Funding from the water development trust fund provided for bond payments ($16.9 million) and contingent funding from the resources trust fund ($60 million) totaling $76.9 million would be available to defease State Water Commission outstanding bond issues of $75,250,000 and pay related fees.

FUND HISTORY

North Dakota Century Code Section 54-27-25, created by 1999 House Bill No. 1475, establishes a water development trust fund to be used for the long-term water development and management needs of the state. This section creates a tobacco settlement trust fund for the deposit of all tobacco settlement money obtained by the state. Money in the fund must be transferred within 30 days of its deposit in the fund:

- 10 percent to the community health trust fund.
- 45 percent to the common schools trust fund.
- 45 percent to the water development trust fund.

In the November 2008 general election, voters approved initiated measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure provides for a portion of tobacco settlement funds received by the state to be deposited in this new fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continue in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement relating to strategic contribution payments, which began in 2008 and continue through 2017, will beginning in 2009 be deposited into the newly created tobacco prevention and control trust fund. The measure also provides that if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the Tobacco Prevention and Control Executive Committee to adequately provide for the comprehensive plan. The Legislative Assembly in Section 39 of 2009 House Bill No. 1015 provided any money deposited in the water development trust fund under Section 54-27-25 may only be spent pursuant to legislative appropriation.

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. In 2009 tobacco settlement payments began to be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25 as amended by the measure.

Section 61-02.1-04, created by 1999 Senate Bill No. 2188, provides the principal and interest on bonds issued for flood control projects, the Southwest Pipeline Project, and an outlet to Devils Lake must be repaid with money appropriated from the water development trust fund.

HB 1012
1/28/2013
Attachment #2

The Medicare UPL: Its Impact on Medicaid Rates in North Dakota

January 29, 2013

Eljay

Joseph M. Lubarsky, CPA
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The Medicare UPL Definition

1. Total Medicaid payments cannot exceed a reasonable estimate of the amount that would be paid for the services under Medicare payment principles.
2. Computation is done separately for three groups
   - State-owned
   - Non-state-government-owned facilities
   - Non-public facilities
3. For each group, it is an aggregate calculation-Medicaid payments in total to each group cannot exceed what would be paid in total to each group under Medicare payment principles
4. States have flexibility to use either Medicare rates for comparable services or Medicaid allowable costs as the foundation of their estimates

Medicare Rates v. Medicaid Rates Methodology

1. The comparison is not strictly average Medicare rate v. average Medicaid rate
2. Comparison is Medicaid rate v. Medicare rate for comparable services
   - Same acuity (Medicaid RUG levels)
   - Medicare rates include ancillaries-therapies, drugs and diagnostic services-Medicaid rates do not

2013 Calendar Year UPL Computation-Medicare Rate Approach

2013 Calendar Year UPL Computation-Medicare Rate Approach		
Average 2013 Medicare Rate for Medicaid Patients Based Upon Their RUG Levels		$ 219.77
Average 2013 Medicaid Rate	$ 224.69	
Plus: Estimated Per Diem Medicaid Cost of Pharmacy and Diagnostics	$ 5.00	
		$ 229.69
Medicare Rate Minus Medicaid Rate		$ (9.92)

Cost-Based Approach

1. Medicare UPL is 100% of Medicaid allowable costs for all facilities in the aggregate
2. Medicaid costs derived from FY 12 cost reports and inflated 18 months through calendar year 2013
3. Inflation factor would be three year average of historical cost increases
4. Three year average was 5.9% so 18 month factor applied was 8.8%.

UPL Computation – Private Facilities

2012 Medicaid Weighted Average Operating Costs	$ 198.77
2012 Medicaid Weighted Average Property Costs	$ 17.40
Total	$ 216.17

Inflation Calculation

Cost Increases	Weight	
10.18%	1	0.10179563
4.98%	2	0.09961932
5.07%	3	0.15220382
	6	0.35381877

Weighted Average 5.89%

Inflation Projection 18 months (FYE 06/30/12-12/31/13)	8.84%
Inflated Operating Costs	$ 216.34
Property-Non-Inflated	$ 17.40
2013 UPL	$ 233.74
2013 Average MA Rate	$ 224.69
UPL Room	$ 9.05

Cost-Based UPL 2010-2013

Cost-Based UPL

Year	Per Diem	% Change
2010	$ 196.06	
2011	$ 214.23	9.3%
2012	$ 224.39	4.7%
2013	$ 233.74	4.2%

Cost Increases 2010-2012

Per Diem Costs

Year Ended	Per Diem	% Change
6/30/2009	$ 176.96	
6/30/2010	$ 195.23	10.3%
6/30/2011	$ 205.02	5.0%
6/30/2012	$ 216.17	5.4%

Sensitivity Analysis UPL 2014

Impact on UPL in 2014

If Cost Increase-FY 13 v. FY 12 Is:	2014 UPL	2013 UPL	% Change
5.00%	$ 241.83	$ 233.74	3.5%
3.00%	$ 234.49	$ 233.74	0.3%
0.00%	$ 223.69	$ 233.74	-4.3%

Nursing Facility Upper Payment Limit (UPL)

What is a UPL?

Each state has the authority to set their own nursing facility payment system, however to claim the federal matching dollars it must comply with the UPL. The UPL refers to a system or formula that shows rates are reasonable and would not exceed what would normally be paid under Medicare cost principles.

Problem with 2010 UPL:

The UPL formula for 2010 compared the aggregate Medicaid rates to the aggregate Medicare rates. In making the comparison between Medicaid versus Medicare rates, you must evaluate and compare at the same RUG levels. In 2010, North Dakota had the lowest Medicare rates in the nation. When the comparison test was done in 2010, it found North Dakota did not meet the UPL test.

Rather than lose federal funds and be forced to cut nursing facility rates in 2010, DHS employed an expert consultant, Joe Lubarsky and asked him to devise a new formula for meeting the UPL test. With Joe's assistance, a new UPL methodology was proposed by DHS to CMS. After numerous negotiations/changes CMS accepted the new UPL methodology.

This new UPL methodology allowed all rates to remain in place and nursing facilities did not experience rate reductions in 2010.

New UPL Test for Nursing Facilities:

The new UPL test for 2010 and each year thereafter is based upon the aggregate provider costs compared to the Medicaid rates. Under this new formula, Medicaid rates need to be less than your costs. Every facility in the 2013 UPL computation has costs higher than their 2013 rate. The differential ranges from $2.86 to $43.19, the weighted average being $9.06. For the January 1, 2013 rate year, nursing facilities spent an additional $8.2 million more than provided in the rates.

Will UPL be an Issue in Future Years?

Each year the Department will apply the UPL test to determine if North Dakota nursing facilities meet the calculation. As long as facilities costs exceed the percentage increase in the rate, the yearly UPL computation should be achieved.

NURSING FACILITY PAYMENT SYSTEM

MINIMUM DATA SET FOR PAYMENT

The state adopted the Minimum Data Set (MDS) for its payment system on January 1, 1999. The MDS provides a wide array of information regarding the health status of each resident. The payment system has forty-eight facility specific rates. Each resident is evaluated at least quarterly and the intensity of their needs determines their rate classification.

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 equalized 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 limits are calculated based on the **June 30, 2010 cost report** inflated forward to 2013. The legislature allowed rates and limits to be increased by 3% in 2012 and 2013.

Limits (the maximum that will be paid) are set for the direct care, other direct care and indirect care components by utilizing the **2010** 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 either 10% or 20% to the cost of that median facility. The **direct care** and **other direct care** limit is established by adding **20%** to the cost of that median facility. The **indirect care** limit is established by adding **10%** to the cost of that median facility. The limits are then inflated annually by the legislative approved inflation factor. .

Direct Care Rate. Costs in the Direct Care Category include: nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. On January 1, 2013 the direct care limit was set at $151.19 per day. Nine nursing facilities currently exceed this limit. The nine nursing facilities over the limit spent $1,871,777 in nursing that will not be recouped.

Other Direct Care. Costs in the Other Direct Care Category include: food, laundry, social service salaries, activity salaries and supplies. On January 1, 2013 the other direct care limit was set at $25.46 per day. Seven nursing facilities currently exceed this limit. The seven nursing facilities exceeding the limit spent $269,663 in costs that will not be recouped.

North Dakota Long Term Care Association
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Bismarck, ND 58501 www.ndltca.org

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. On January 1, 2013 the indirect limit was set at $65.13 per day. Twenty nursing facilities currently exceed this limit. The twenty nursing facilities exceeding the limit spent $3,439,786 in indirect care expenses. These costs will not be recouped.

Property rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The average property rate is $17.59 per resident per day, with a range of $2.71 to $83.74.

Occupancy Limitation – In the June 30, 2012 cost reporting period, twenty-five nursing facilities reported twelve month occupancy averages at less than 90%. Together they incur $1,228,484 in penalty costs because they operate under 90% occupancy.

Incentives - A reward is provided to nursing facilities that are under the limit in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to the indirect limit. Facilities are able to receive 70 cents for every dollar they are below the limit up to a maximum of $2.60 per resident day. In 2013, fifty-four nursing facilities received an incentive, with the average per day incentive at $2.35. Of the fifty-four nursing facilities receiving an incentive, the incentive ranged from $0.20 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 2013, the average operating margin is $3.84 per resident per day.

Inflation - Rates are adjusted for inflation annually. Inflation is a rise in price levels that are generally beyond the control of long term care facilities. Examples of price level increases include the 9.7% increase in health 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 58% in 2012.

Annual inflationary adjustments are set every legislative session.

Rebasing – A limit is establish on the maximum that will be paid in each cost category. The 2013 limits are based upon the June 30, 2010 cost report inflated forward to 2013. The limits are inflated annually by the legislatively approved inflation factor until rebasing occurs. The next time limits will be rebased is January 1, 2017 using the June 30, 2014 cost report.

North Dakota
Long Term Care
ASSOCIATION
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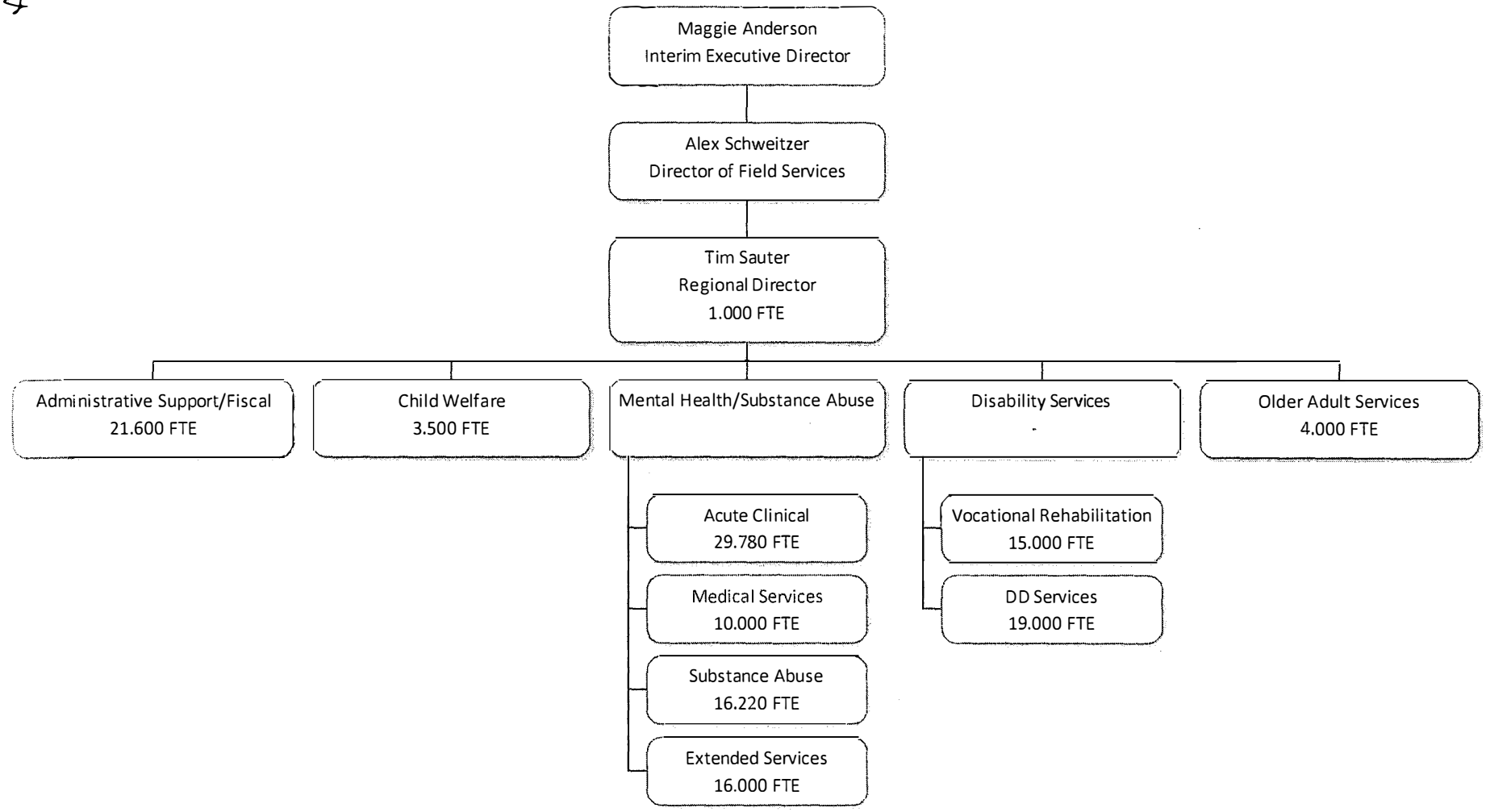
HB 1012
1/28/2013 #3
Attachment

ND Department of Human Services

West Central Human Service Center
Functional Organizational Chart
136.100 FTE



1/15/2013

HB 1012
1/28/2013
Attachment #4

Testimony
HB 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Tim Sauter, Director of West Central Human Service Center (WCHSC) and Badlands Human Service Center (BLHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

West Central Human Service Center

WCHSC serves the residents of Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan, and Sioux counties. The WCHSC has a regional aging services outreach office in Emmons County.

Caseload/Customer Base

- 5,532 individuals (4,357 adults and 1,175 children) were served, excluding Vocational Rehabilitation Services (VR), at the WCHSC in State Fiscal Year 2012 (SFY).

- 1,486 individuals received VR services during SFY 2012.

- 99 percent of the WCHSC VR clients placed in jobs remain employed after six months.

- WCHSC nurses assist on average 175 clients per month with accessing Patient Assistance Medication Programs.

Program Trends/Major Program Changes

- WCHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes 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.

- The WCHSC Developmental Disabilities Unit continues to see increases in referrals to Early Intervention Services and in adults seeking services.

- Alcohol continues to be the biggest drug problem for adult clients. The WCHSC is once again seeing an increase in the abuse of methamphetamine by adult clients. In addition, the WCHSC continues to see an increase in the number of adult clients abusing prescription drugs, particularly opiates, and synthetic marijuana. Adolescents are abusing marijuana, prescription drugs, and synthetics in increasing numbers.

- There continues to be a significant number of referrals from the Department of Corrections and Rehabilitation (DOCR). A recent point in time review, reveals that 59 percent of clients in the WCHSC's adult addiction treatment groups are referred from the DOCR.

- The WCHSC region is seeing an increase in the number of foster home placements. For adolescents coming into the foster care system, there appears to be a trend of synthetic drug usage, and children who have been exposed to methamphetamine during pregnancy.

- We continue to have a minimal number of residents from the region enter the North Dakota State Hospital or the North Dakota Developmental Center.

- Housing is a problem for many of the clients served at the WCHSC, especially affordable housing. The WCHSC is seeing more individuals who are homeless.

- The WCHSC's crisis residential facility is at capacity, with an average of two to three individuals on the waiting list at any given time. This results in people being placed in a higher level of care than needed, remaining longer than needed in a higher level of care, or simply not receiving the level of care they need while they are awaiting admission.

- The WCHSC's long-term residential facility for adults with severe and persistent mental illness is always at 100 percent capacity, and the WCHSC's transitional facility is generally at 90 percent or above. Because there are no other long-term beds available, clients stay in the transitional facility longer than necessary creating a bottleneck for new admissions.

Overview of Budget Changes – West Central Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSCs/Institutions	$27,001,434	$29,826,746	$2,825,312
General Fund	$13,907,335	$16,557,764	$2,650,429
Federal Funds	$11,696,382	$11,727,264	$30,882
Other Funds	$1,397,717	$1,541,718	$144,001
Total	$27,001,434	$29,826,746	$2,825,312

FTE	136.10	136.10	0.00

Budget Changes from Current Budget to Executive Budget:

The Salary and Benefits portion of the budget increased by $1,277,712 and can be attributed to the following:

- $440,718 in total funds, of which $313,355 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $576,157 in total funds, of which $360,332 is general fund, needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $143,329 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $305,611 to underfund the 2013-2015 pay plan, all general fund.

- An increase of $63,837 for health insurance for three FTEs that did not have health insurance included in the budget for the current biennium.

- An increase of $61,679 for a temporary full-time Support Services position for the Business Office.

- $146,699 to provide for the annual leave and sick leave lump sum payouts for 18 FTEs expected to retire during the 2013-2015 biennium.

- The remaining increase in salaries and benefits, totaling $150,904, is a combination of increases and decreases needed to sustain the salary of the 136.10 FTEs.

The Operating portion of the budget increased by $54,115 or 2.3 percent and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in the travel budget based on an increase in motor pool rates and a decrease in projected utilization.

- A decrease in various Supply Categories, Postage, Printing and Repairs based on projected utilization.

- An increase in Office Equipment and Furniture under $5,000. Funding would be used to replace chairs and office furniture with more functional modular furniture.

- An increase in Rentals/Leases, for office building rent, based on an increase in the projected rental rates.

- A decrease in IT-Communications based on utilization.

- An increase in Professional Development based on specialized training in areas such as supervision, sexual offenders, behavioral health, and tele-pharmacy.

- A decrease in Operating Fees and Services as a result of Options Counseling being administered out of the DHS Aging Services Central Office.

- An increase in Medical, Dental, and Optical related to the procurement of childproof medication bottles used in distributing medication to clients.

The Grants portion of the budget increased by $1,493,485 and is primarily the result of increases in the following areas.

- $769,700 for a new 10-bed long term Mentally Ill residential facility, $407,941 general fund.

- $324,156 to increase the bed capacity, from 10 beds to 14 beds, for the Adult Crisis Residential facility, all general fund.

- $379,004 for provider inflationary increases, $378,628 general fund.

- The remaining increase in grants, totaling $20,625, is a combination of increases and decreases needed to sustain the existing contracts.

The general fund request increased by $2,650,429 and can be primarily attributed to the following:

- An increase of $673,687 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $1,110,725 for the contracted residential facilities and provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

The net change in federal and other funds is primarily the result of a decrease in projected Medical Assistance collections, an increase in other client collections, and other changes mentioned previously.

I would be happy to answer any questions about the WCHSC.

Badlands Human Service Center

Badlands Human Service Center (BLHSC) serves the people of Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, and Stark counties. BLHSC has outreach offices in Beach, Bowman, Hettinger, and Mott.

Caseload/Customer Base

- 1,871 individuals (1,387 adults and 484 children) were served, excluding Vocational Rehabilitation Services (VR), at BLHSC in State Fiscal Year (SFY) 2012.

- 230 individuals received VR services in SFY 2012.

- 100 percent of BLHSC clients remain employed six months after being placed in a job.

- BLHSC nurses help clients access Patient Medication Assistance Programs. These programs serve 62 individuals per month.

Program Trends/Major Program Changes

- BLHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes include reduced rates of relapse, hospitalization, arrest, incarceration, and reduced utilization of high cost services while increasing continuity of care, quality-of-life outcomes, stable housing, employment, and independent living.

- The number of individuals receiving developmental disabilities services has been rising over the past several years. In SFY 2012, 309 individuals were served by the Developmental Disabilities Unit. In the current fiscal year, that number has grown to 370 served. Twenty-one

additional individuals have been referred and we are in the process of determining eligibility.

- 49 percent of the individuals in adult addiction programs in this region have been referred by the DOCR.

- Due to oil impact on housing and the cost of living in Dickinson, finding and maintaining housing, especially affordable housing, has become a bigger issue for the people we serve, as well as our employees.

- This past year, we have seen an increase in admissions to the North Dakota State Hospital, and the admissions to the psychiatric units in Bismarck have remained consistent. The numbers of individuals utilizing the medical detoxification contract with St. Joseph's Hospital has increased in the past year.

- The Community Mental Health Council has identified three high priority concerns: homelessness, lack of an appropriate option to supervise individuals awaiting transportation to the North Dakota State Hospital or the two psychiatric units in Bismarck, and a facility to provide social setting detoxification for people who are under the influence but do not need medical detoxification.

Overview of Budget Changes – Badlands Human Service Center

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSCs/Institutions	$11,757,691	$12,345,718	$588,027
General Fund	$6,497,329	$7,026,670	$529,341
Federal Funds	$4,426,122	$4,332,504	($93,618)
Other Funds	$834,240	$986,544	$152,304
Total	$11,757,691	$12,345,718	$588,027

FTE	74.70	74.70	0.00

Budget Changes from Current Budget to Executive Budget:

The Salary and Benefits portion of the budget increased by $574,115 and can be attributed to the following:

- $237,163 in total funds, of which $172,964 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $304,238 in total funds, of which $217,166 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $107,260 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $169,579 to underfund the 2013-2015 pay plan, all general funds.

- $55,104 to provide for the annual sick leave lump sum payouts for eight FTEs expected to retire in the 2013-2015 biennium.

- The remaining increase in salaries and benefits, totaling $39,929, is a combination of increases and decreases needed to sustain the salary of the 74.70 FTEs.

The Operating portion of the budget decreased by $17,018 or 1.1 percent and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in the travel budget based primarily on an increase in motor pool rates. A smaller portion of the increase is based on projected utilization.

- An increase in various supply categories, Postage, Repairs and IT-Communications based on projected utilization.

- An increase in Office Equipment and Furniture under $5,000. Funding would be used to replace office furniture and furnishings at the Transitional Living/Crisis Residential facility.

- A decrease in building rent based on the decision to not relocate the human service center into a new facility. This is due to construction cost of the new facility exceeding the budget approved during the

previous legislative session, and an unwillingness of the contractor to delay the construction until legislative approval of the additional funds.

- A decrease in IT-Data Processing. This was a one-time budget for wiring costs associated with the proposed relocation of the human service center during the 2011-2013 Biennium. This move did not occur.

- An increase in Professional Development based on specialized training in areas such as supervision, domestic violence, Matrix, IDDT, and tele-pharmacy.

- A decrease in Operating Fees and Services based on a decrease in projected utilization associated with Wrap around Services, Respite Care Services and moving expenses, plus an increase in funding associated with the TIP.

The Grants portion of the budget increased by $30,930 and is primarily the result of increases in the following areas.

- $30,000 for increased Medical Detoxification services, all general fund.

- $20,580 for provider inflationary increases, all general fund.

- A decrease of $19,650 for contracted outreach services.

The general fund request increased by $529,341 and can be primarily attributed to the following:

- An increase of $390,130 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $50,580 for Medical Detoxification Services and provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

The net change in federal and other funds is primarily the result of a decrease in projected Medical Assistance collections, an increase in other client collections, and other changes mentioned previously.

I would be happy to answer any questions about the BLHSC.

HB 1012
1/28/2013
Attachment #5

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-77 WEST CENTRAL HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	136.100	136.100	0.000	0.000	0.000	136.100
32570	B	511000	Salaries - Permanent	11,735,279	13,133,928	6,366,994	654,090	0	13,788,018
32570	B	513000	Temporary Salaries	76,740	73,848	40,509	61,679	0	135,527
32570	B	514000	Overtime	16,263	9,600	5,464	(1)	0	9,599
32570	B	516000	Fringe Benefits	4,542,527	5,098,547	2,456,535	283,508	0	5,382,055
32570	B	519100	Reduction in Salary - Budget	0	(143,329)	0	(162,282)	0	(305,611)
32570	B	521000	Travel	329,558	440,410	195,855	51,561	0	491,971
32570	B	531000	Supplies - IT Software	27,024	30,400	2,882	0	0	30,400
32570	B	532000	Supply/Material-Professional	67,568	50,106	21,376	(2,434)	0	47,672
32570	B	533000	Food and Clothing	5,532	4,768	2,073	232	0	5,000
32570	B	534000	Bldg, Grounds, Vehicle Supply	3,288	3,000	133	(200)	0	2,800
32570	B	535000	Miscellaneous Supplies	987	2,706	758	(1,632)	0	1,074
32570	B	536000	Office Supplies	37,100	46,000	24,502	(1,000)	0	45,000
32570	B	541000	Postage	48,131	53,400	22,927	(600)	0	52,800
32570	B	542000	Printing	24,627	27,000	10,724	(1,000)	0	26,000
32570	B	551000	IT Equip under $5,000	6,419	0	0	0	0	0
32570	B	552000	Other Equip under $5,000	700	0	0	0	0	0
32570	B	553000	Office Equip & Furniture-Under	136,828	14,750	5,769	10,350	0	25,100
32570	B	582000	Rentals/Leases - Bldg/Land	1,191,487	1,296,817	644,709	61,946	0	1,358,763
32570	B	591000	Repairs	9,259	10,100	3,710	(1,400)	0	8,700
32570	B	599161	Health Increase	0	0	0	0	298,898	298,898
32570	B	599162	Retirement Increase	0	0	0	0	141,820	141,820
32570	B	601000	IT - Data Processing	32	0	0	0	0	0
32570	B	602000	IT-Communications	159,839	164,200	79,570	(5,886)	0	158,314
32570	B	611000	Professional Development	24,338	22,856	7,819	7,949	0	30,805
32570	B	621000	Operating Fees and Services	87,677	195,773	39,838	(73,471)	0	122,302
32570	B	623000	Fees - Professional Services	2,598	2,000	1,643	0	0	2,000
32570	B	625000	Medical, Dental and Optical	31,020	28,500	16,227	9,700	0	38,200
32570	B	691000	Equipment Over $5000	13,599	0	0	0	0	0
32570	B	712000	Grants, Benefits & Claims	6,442,400	6,436,054	2,745,564	1,493,485	0	7,929,539
			Subtotal:	25,020,820	27,001,434	12,695,581	2,384,594	440,718	29,826,746

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-77 WEST CENTRAL HSC								
32570	F	F_7091 HSCs & Institutions - Gen Fund	12,820,067	13,907,335	6,576,973	2,337,074	313,355	16,557,764
32570	F	F_7092 HSCs & Institutions - Fed Fnds	11,328,613	11,696,382	6,045,155	(96,481)	127,363	11,727,264
32570	F	F_7093 HSCs & Institutions - Oth Fnds	872,140	1,397,717	73,453	144,001	0	1,541,718
		Subtotal:	25,020,820	27,001,434	12,695,581	2,384,594	440,718	29,826,746
		Subdivision Budget Total:	25,020,820	27,001,434	12,695,581	2,384,594	440,718	29,826,746
410-77 WEST CENTRAL HSC		**General Funds:**	12,820,067	13,907,335	6,576,973	2,337,074	313,355	16,557,764
		Federal Funds:	11,328,613	11,696,382	6,045,155	(96,481)	127,363	11,727,264
		Other Funds:	872,140	1,397,717	73,453	144,001	0	1,541,718
		SWAP Funds:	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0
		Subdivision Funding Total:	25,020,820	27,001,434	12,695,581	2,384,594	440,718	29,826,746

West Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent	15.74	1,117,520	605,625	511,895
Human Service Center Building Rent - Voc Rel	16.97	181,103	38,156	142,947
Residential Apartments - Dev. Disabilities	N/A	20,140	10,652	9,488
Residential Apartments - Alcohol & Drug	N/A	40,000	13,047	26,953
Total Rentals & Leases Budget Account Code		**1,358,763**	**667,480**	**691,283**

West Central HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Service Awards	10,127	5,576	4,551
Staff License Renewals	12,605	5,367	7,238
Flexible Funds - Homeless and Mentally Ill	20,000	12,000	8,000
Flexible Funds - Transition to Independence	40,000	40,000	0
Research Fees and Background Checks	1,000	812	188
Client Record Storage	2,400	1,919	481
Wrap Around Services	15,000	0	15,000
Respite Care Services	10,000	0	10,000
Shipping and Freight Charges	920	314	606
Program Fees Client Activities	5,800	3,101	2,699
Document Management Services	2,400	1,919	481
Radio - TV - Newspaper Services	50	41	9
Booth Fees for Vocational Rehabilitation Program	2,000	426	1,574
Total Operating Fees & Services Budget Account Code	**122,302**	**71,475**	**50,827**

West Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Care Coordination-Partnership	General Fund	25,133	13,190	(11,943)
Care Coordination - $20,000	Federal Funds	15,434	8,010	(7,424)
Provider Inflation - $1,200	Special Funds	114		(114)
		40,681	21,200	(19,481)
Case Aide	General Fund	750,386	905,969	155,583
Adult - $654,551	Federal Funds	599,153	532,555	(66,598)
Adolescent - $714,837	Special Funds	36,077	13,028	(23,049)
Provider Inflation - $82,164		1,385,616	1,451,552	65,936
Case Management	General Fund	5,005	6,951	1,946
CD Adult - $18,000	Federal Funds	22,115	9,907	(12,208)
Provider Inflation - $1,080	Special Funds	4,244	2,222	(2,022)
		31,364	19,080	(12,284)
Crisis Care / Safe Beds	General Fund	80,441	107,495	27,054
Partnership - $163,000	Federal Funds	49,401	65,285	15,884
Provider Inflation - $9,780	Special Funds	365		(365)
		130,207	172,780	42,573
DD Services	General Fund			0
Experienced Parent	Federal Funds	80,000	80,000	0
	Special Funds			0
		80,000	80,000	0

West Central HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Detoxification	General Fund	47,045	54,053	7,008
Social Detoxification - $50,993	Federal Funds			0
Provider Inflation - $3,060	Special Funds			0
		47,045	54,053	7,008
Evaluation Services	General Fund	2,662	1,808	(854)
Psychological Consultation - $8,000	Federal Funds	9,838	6,672	(3,166)
Provider Inflation - $480	Special Funds			0
		12,500	8,480	(4,020)
Flex Funds	General Fund	37,068	35,969	(1,099)
Partnership - $60,000	Federal Funds	22,764	24,031	1,267
	Special Funds	168		(168)
		60,000	60,000	0
Recovery Center	General Fund	284,994	302,094	17,100
Recovery Center - $234,994	Federal Funds			0
Peer Support - $50,000	Special Funds			0
Provider Inflation - $17,100		284,994	302,094	17,100
Psychiatric/Psychological/Medical Services	General Fund	257,441	304,410	46,969
Medication Monitor - $191,916	Federal Funds	58,221	53,855	(4,366)
Title XIX Evaluations - $140,000	Special Funds	27,478	30,879	3,401
CD Medical Assessments - $4,000		343,140	389,144	46,004
CD Acupuncture - $31,200				
Provider Inflation - $22,028				

West Central HSC - 2013-15 Biennium Budget

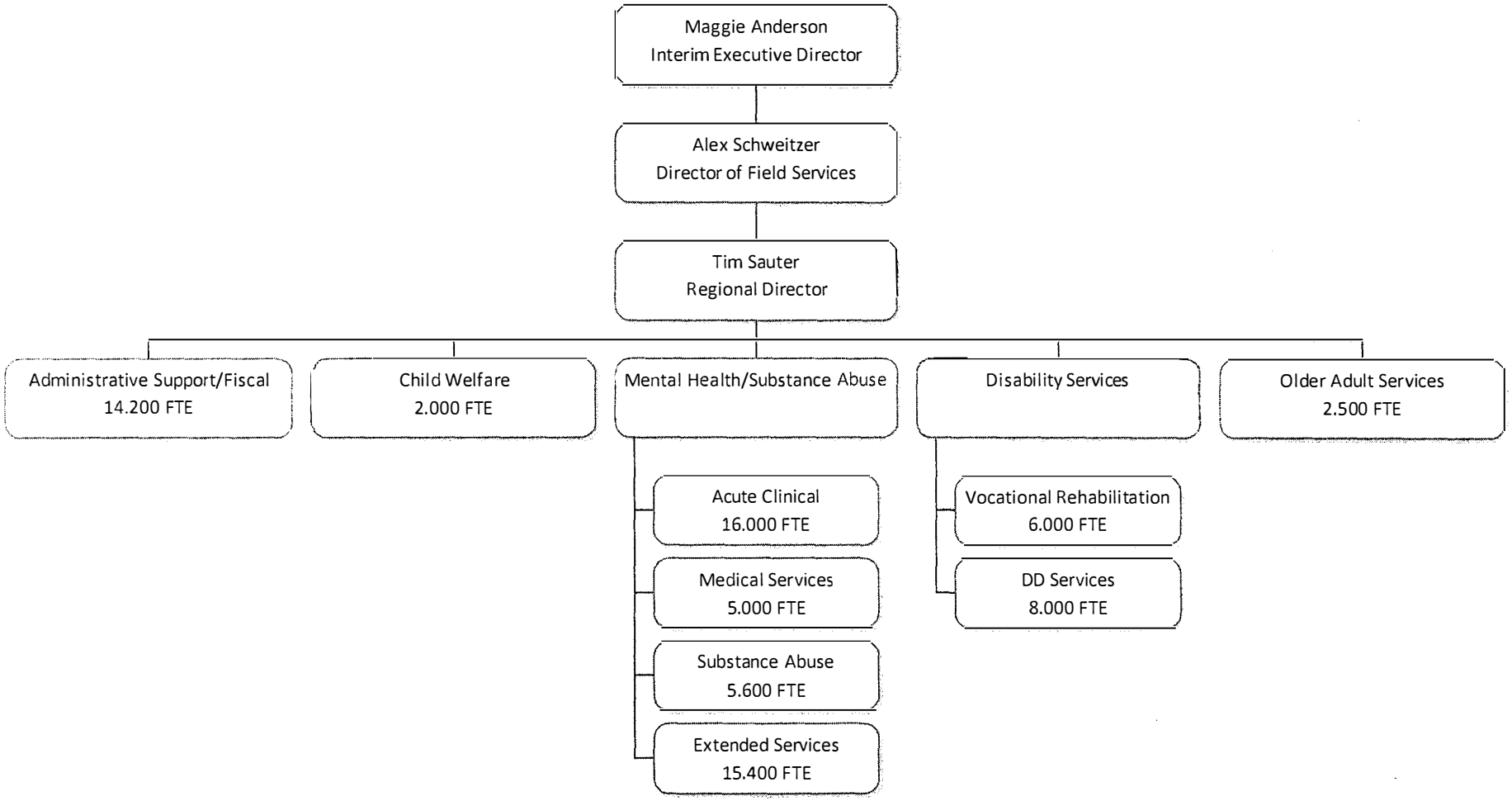
Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services	General Fund	2,434,382	3,334,978	900,596
CD Residential Adult - $1,550,621	Federal Funds	1,184,707	1,441,236	256,529
CD Residential Adolescent - $1,370,991	Special Funds	354,418	545,122	190,704
MI Residential - $2,123,958		3,973,507	5,321,336	1,347,829
Clinical Services Residential - $36,474				
Provider Inflation - $239,292				
Respite Care	General Fund		2,820	2,820
Respite Care - $47,000	Federal Funds	47,000	47,000	0
Provider Inflation - $2,820	Special Funds			0
		47,000	49,820	2,820
TOTAL GRANTS		**6,436,054**	**7,929,539**	**1,493,485**

HB 1012
1/28/2013
Attachment #4

ND Department of Human Services

Badlands Human Service Center
Functional Organizational Chart
74.700 FTE



1/15/2013

HB 1012
1/28/2013
Attachment #1

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-78 BADLANDS HSC									
		S101	FULL-TIME EQUIVALENTS (FTEs)	74.700	74.700	0.000	0.000	0.000	74.700
32570	B	511000	Salaries - Permanent	5,795,062	6,760,045	3,077,063	309,906	0	7,069,951
32570	B	512000	Salaries-Other	5,791	7,008	2,830	(1,224)	0	5,784
32570	B	513000	Temporary Salaries	223,490	315,528	104,860	(16,297)	0	299,231
32570	B	514000	Overtime	5,847	11,760	8,152	1	0	11,761
32570	B	516000	Fringe Benefits	2,402,580	2,795,331	1,257,745	106,885	0	2,902,216
32570	B	519100	Reduction in Salary - Budget	0	(107,260)	0	(62,319)	0	(169,579)
32570	B	521000	Travel	203,242	219,690	116,558	65,985	0	285,675
32570	B	531000	Supplies - IT Software	9,643	11,500	4,391	(575)	0	10,925
32570	B	532000	Supply/Material-Professional	33,898	35,589	31,137	2,050	0	37,639
32570	B	533000	Food and Clothing	52,488	51,725	22,296	4,855	0	56,580
32570	B	534000	Bldg, Grounds, Vehicle Supply	301	0	0	0	0	0
32570	B	535000	Miscellaneous Supplies	23,013	20,002	9,721	5,043	0	25,045
32570	B	536000	Office Supplies	10,924	11,650	4,282	(1,000)	0	10,650
32570	B	541000	Postage	23,443	24,400	10,500	1,175	0	25,575
32570	B	542000	Printing	11,049	13,100	2,850	(300)	0	12,800
32570	B	551000	IT Equip under $5,000	346	0	0	0	0	0
32570	B	552000	Other Equip under $5,000	6	0	0	0	0	0
32570	B	553000	Office Equip & Furniture-Under	16,757	12,000	11,608	12,980	0	24,980
32570	B	561000	Utilities	27,555	31,375	14,612	(778)	0	30,597
32570	B	582000	Rentals/Leases - Bldg/Land	701,402	857,525	397,549	(69,441)	0	788,084
32570	B	591000	Repairs	12,979	12,528	5,897	1,487	0	14,015
32570	B	599161	Health Increase	0	0	0	0	164,285	164,285
32570	B	599162	Retirement Increase	0	0	0	0	72,878	72,878
32570	B	601000	IT - Data Processing	10	41,960	0	(41,960)	0	0
32570	B	602000	IT-Communications	91,320	93,781	46,844	2,967	0	96,748
32570	B	611000	Professional Development	10,529	14,841	6,028	7,071	0	21,912
32570	B	621000	Operating Fees and Services	70,358	113,971	22,751	(8,162)	0	105,809
32570	B	623000	Fees - Professional Services	7,815	0	0	0	0	0
32570	B	625000	Medical, Dental and Optical	610	12,000	2,522	1,585	0	13,585
32570	B	712000	Grants, Benefits & Claims	1,032,912	397,642	333,875	30,930	0	428,572

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-78 BADLANDS HSC								
		Subtotal:	10,773,370	11,757,691	5,494,071	350,864	237,163	12,345,718
32570	F	F_7091 HSCs & Institutions - Gen Fund	5,796,728	6,497,329	2,809,619	356,377	172,964	7,026,670
32570	F	F_7092 HSCs & Institutions - Fed Fnds	4,224,217	4,426,122	2,283,872	(157,817)	64,199	4,332,504
32570	F	F_7093 HSCs & Institutions - Oth Fnds	752,425	834,240	400,580	152,304	0	986,544
		Subtotal:	10,773,370	11,757,691	5,494,071	350,864	237,163	12,345,718
		Subdivision Budget Total:	10,773,370	11,757,691	5,494,071	350,864	237,163	12,345,718
		General Funds:	5,796,728	6,497,329	2,809,619	356,377	172,964	7,026,670
		Federal Funds:	4,224,217	4,426,122	2,283,872	(157,817)	64,199	4,332,504
410-78 BADLANDS HSC		**Other Funds:**	752,425	834,240	400,580	152,304	0	986,544
		SWAP Funds:	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0
		Subdivision Funding Total:	10,773,370	11,757,691	5,494,071	350,864	237,163	12,345,718

Badlands HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center - Main Office	13.52	464,223	277,870	186,353
Human Service Center - Main Office Basemen	5.30	13,542	8,106	5,436
Vocational Rehabilitation - Main Office	12.88	88,039	18,514	69,525
Supported Living Office	11.25	7,200	2,654	4,546
Outreach Office - Bowman	$250/month	6,000	2,706	3,294
Outreach Office - Beach	$25/week	2,600	1,170	1,430
Transitional Living Facility	21.72	206,400	135,951	70,449
Misc Rentals - Health Fair Booth Rental	N/A	80	46	34
Total Rentals & Leases Budget Account Code		**788,084**	**447,017**	**341,067**

Badlands HSC - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Cleaning/Janitorial Services/Document Management Services	10,870	6,651	4,219
Snow Removal/Yard Care - Bowman Outreach Office	3,000	1,461	1,539
Radio - TV - Newspaper Services	3,850	3,078	772
Background Checks - Staff	600	312	288
Carpet/furniture cleaning services	4,100	3,144	956
Program fees for client activities	600	270	330
Wrap Around Services	13,000	13,000	0
Respite Care Services	7,000	7,000	0
Flexible Funds - Homeless clients	8,000	0	8,000
Flexible Funds - Transition to Independence Services	40,000	0	40,000
Freight and Express - shipping charges for all purchases; appliance installation	3,325	1,998	1,327
Staff Licenses	5,400	2,680	2,720
Service Awards	6,064	3,810	2,254
Total Operating Fees & Services Budget Account Code	**105,809**	**43,404**	**62,405**

Badlands HSC - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
DD Services	General Fund			0
Experienced Parent - $35,000	Federal Funds	35,000	35,000	0
	Special Funds			0
		35,000	35,000	0
Recovery Center	General Fund	248,592	263,508	14,916
Recover Center - $223,592	Federal Funds			0
Peer Support - $25,000	Special Funds			0
Provider Inflation - $14,916		248,592	263,508	14,916
Residential Services	General Fund	7,158	15,264	8,106
Residential Adult Transportation Services - $14,400	Federal Funds	3,642		(3,642)
Provider Inflation - $864	Special Funds			0
		10,800	15,264	4,464
Psychiatric/Psychological/Medical Services	General Fund	23,981	19,142	(4,839)
Medical Screenings for Residential/State Hospital Admissions - $2,000	Federal Funds	26,504	10,662	(15,842)
CD Acupuncture - $30,000	Special Funds	4,765	4,116	(649)
Provider Inflation - $1,920		55,250	33,920	(21,330)
Detoxification	General Fund	24,768	58,704	33,936
Medical Detoxification - $78,000	Federal Funds	23,232	15,984	(7,248)
Provider Inflation - $2,880	Special Funds	0	6,192	6,192
		48,000	80,880	32,880
TOTAL GRANTS		397,642	428,572	30,930

HB 1012
1/28/2013
Attachment #8

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 28, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services (Department). I am here today to provide you an overview of the statewide Human Service Center administration.

Programs

This area of the budget includes the system-wide resources to provide support to the Field Services division to carry out their programs. Resources include the Lead Fiscal Manager for Field Services, the state-wide Human Service Center Training Coordinator, the centralized billing and receivables department, and the state-wide contracts for Inpatient Hospitalization, Medical Detoxification, and Mobile On-call Crisis Stabilization services.

All of these resources were previously budgeted in one of the human service centers or in the Administration area of the Department's budget.

Major Program Changes

There have not been any major program changes in this area.

Overview of Budget Changes – State-Wide HSC Management

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSCs / Institutions	6,002,865	6,069,755	66,890
General Fund	4,653,031	4,994,616	341,585
Federal Funds	1,349,834	1,075,139	(274,695)
Other Funds	0	0	0
Total	6,002,865	6,069,755	66,890

FTE	13.00	13.00	-

The major changes can be explained as follows:

- $41,586 in total funds, all general fund, is needed to fund the Governor's Benefit package for health insurance and retirement for state employees.

- $37,578 in total funds, all general fund, is needed to fund the employee increases approved by the last Legislative Assembly.

- Decreases in travel and rent account for a reduction of approximately $12,000 in the operating area.

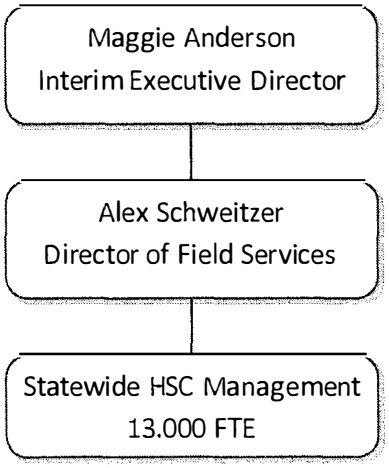
The increase in general fund is related to a decrease in federal collection funding in this portion of the budget for the 2013-2015 biennium.

This concludes my testimony and I would be happy to answer any questions that you may have.

HB 1012
1/28/2013
Attachment #9

ND Department of Human Services

Statewide Human Service Center
Functional Organizational Chart
13.000 FTE



HB 1012
1/28/2013
Attachment #10

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-70 STATE-WIDE HSC MANAGEMENT									
		S101	FULL-TIME EQUIVALENTS (FTEs)	0.000	13.000	0.000	0.000	0.000	13.000
32570	B	511000	Salaries - Permanent	0	1,129,717	0	27,267	0	1,156,984
32570	B	516000	Fringe Benefits	0	487,649	0	10,311	0	497,960
32570	B	521000	Travel	0	52,162	0	(3,580)	0	48,582
32570	B	532000	Supply/Material-Professional	0	1,551	0	(801)	0	750
32570	B	535000	Miscellaneous Supplies	0	750	0	0	0	750
32570	B	536000	Office Supplies	0	2,228	0	116	0	2,344
32570	B	541000	Postage	0	271	0	(241)	0	30
32570	B	542000	Printing	0	2,770	0	(1,360)	0	1,410
32570	B	582000	Rentals/Leases - Bldg/Land	0	35,602	0	(8,688)	0	26,914
32570	B	591000	Repairs	0	1,649	0	1,278	0	2,927
32570	B	599161	Health Increase	0	0	0	0	29,662	29,662
32570	B	599162	Retirement Increase	0	0	0	0	11,924	11,924
32570	B	602000	IT-Communications	0	8,976	0	(374)	0	8,602
32570	B	611000	Professional Development	0	6,300	0	1,100	0	7,400
32570	B	621000	Operating Fees and Services	0	12,980	0	276	0	13,256
32570	B	712000	Grants, Benefits & Claims	0	4,260,260	1,057,047	0	0	4,260,260
			Subtotal:	0	6,002,865	1,057,047	25,304	41,586	6,069,755
32570	F	F_7091	HSCs & Institutions - Gen Fund	0	4,653,031	1,057,047	299,999	41,586	4,994,616
32570	F	F_7092	HSCs & Institutions - Fed Fnds	0	1,349,834	0	(274,695)	0	1,075,139
			Subtotal:	0	6,002,865	1,057,047	25,304	41,586	6,069,755

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class FB	Budget Account Code	Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 410-70 STATE-WIDE HSC MANAGEMENT							
	Subdivision Budget Total:	0	6,002,865	1,057,047	25,304	41,586	6,069,755
	General Funds:	0	4,653,031	1,057,047	299,999	41,586	4,994,616
	Federal Funds:	0	1,349,834	0	(274,695)	0	1,075,139
410-70 STATE-WIDE HSC MANAGEMENT	**Other Funds:**	0	0	0	0	0	0
	SWAP Funds:	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0
	Subdivision Funding Total:	0	6,002,865	1,057,047	25,304	41,586	6,069,755

State-Wide HSC Management - 2013-15 Biennium Budget

Detail of Budget Account Code 582000

Rentals & Leases	Rate per Sq.Ft.	Total	General	Fed/Other
Human Service Center Building Rent - NW	9.86	4,597	1,003	3,594
Human Service Center Building Rent - NC	10.40	9,258	2,020	7,238
Human Service Center Building Rent - WC	15.74	4,705	4,705	0
Human Service Center Building Rent - BL	13.52	8,354	1,823	6,531
Total Rentals & Leases Budget Account Code		**26,914**	**9,551**	**17,363**

State-Wide HSC Management - 2013-15 Biennium Budget

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General	Fed/Other
Behavioral Information Systems (ROAP financial consulting)	12,000	2,618	9,382
Service Awards	806	176	630
Staff Licenses	450	450	0
Total Operating Fees & Services Budget Account Code	**13,256**	**3,244**	**10,012**

State-Wide HSC Management - 2013-15 Biennium Budget

Grants Summary

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Inpatient Hospitalization -	General Fund	4,105,420	3,535,260	(570,160)
NC - Trinity Medical - $696,000	Federal Funds			0
NE - Altru - $372,416	Special Funds			0
NE - Stadter Psychiatric - $63,720		4,105,420	3,535,260	(570,160)
SE - Prairie St. John's - $930,000				
WC - Med Center One - $1,081,000				
WC - St. Alexius - $392,124				
Detox Services -	General Fund	99,840	465,000	365,160
SE - Clay County - $465,000	Federal Funds			0
	Special Funds			0
		99,840	465,000	365,160
Mobile On-Call Crisis Services -	General Fund	55,000	260,000	205,000
SE - Solutions - $260,000	Federal Funds			0
	Special Funds			0
		55,000	260,000	205,000
TOTAL GRANTS		**4,260,260**	**4,260,260**	**0**

HB 1012
1/28/2013
Attachment #11

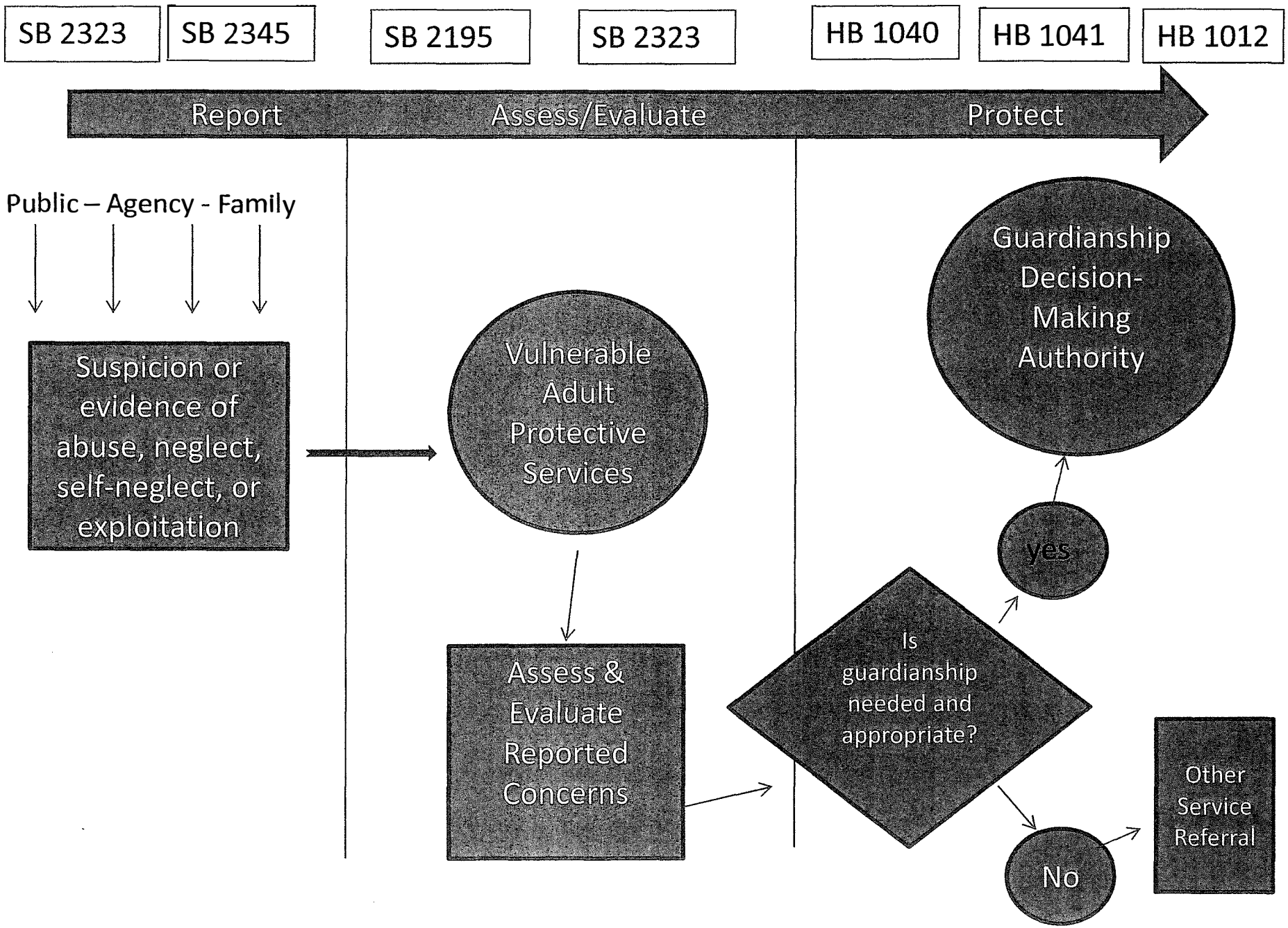
Department of Human Services
Deficiency Appropriation (HB 1023)

	General Fund (Expressed in Millions)
Traditional Medical Assistance Grants	(18.4)
Healthy Steps (CHIP)	0.2
Clawback Payments (Part D)	(0.9)
Nursing Facilities	7.5
Basic Care	(1.6)
Home & Community Based Care	6.3
Developmental Disability Grants	(15.2)
Subtotal	(22.1)
Other Central Office Areas	0.9
HSCs & Institutions	0.3
Total	(20.9)

TTD IUIC
1/30/2013 PM
Attachment #1

Bill	HB 1040	HB 1041	DHS Appropriation- HB 1012	SB 2195
APPROPRIATIONS	$0	Section 1: $1,657,100 Section 2: $70,000	$1,000,000	$1,650,000
RESPONSIBLE DEPARTMENT	Court System	OMB	DHS	DHS
SCOPE	Increases and strengthens processes tied to the rights of potential wards.	State funds grants to counties for guardianship and public administrator services.	This funding would be added to the historical $40,000 for guardianship.	Provides funding for contracted Adult Protective Services - APS. APS is the gatekeeper and entry point for many guardianship requests.
WHO IS ELIGIBLE	All proposed wards	SMI, TBI, Person 60+, but not DD eligible.	All incapacitated, but not DD eligible. (NDCC 30.1-26-01)	All adults, includes a minor emancipated by marriage. (NDCC: 50-25.2)
WHAT IT PURCHASES/BUYS		Pays guardianship and public administrators $11.00 per day for existing 164 guardianship cases and 25 new cases in Year 1 of biennium COST = **$758,835**	Expands eligibility to match the incapacitated adult definition in NDCC 30.1-26-01.	Estimated cost per contract is $100,300/annually. 8 contracts X $100,300 for each year ofthe biennium = **$1,604,800.**
		Pays $11.50 per day for the 189 cases paid in year 1 and adds 25 new cases in year 2. Total Cost in 2nd year for 214 cases. COST = **$898,265**	Establishes income criteria at 100% FPL.	Funding for increased costs to APS support data system due to increased cases. COST **$22,000.**
		Funding to Court to develop and deliver tutorial for new guardians. COST = **$70,000**	Requires ward to receive case management.	Funding to develop standardized training materials and associated costs for training. COST = **$23,200**
DIFFERENCES/ISSUES		Does not contain funding for petitioning costs.	Funding to establish petitioning costs for 86 wards. COST = **$215,000** (no more than $2,500 each)	Focuses on the front end APS system
			Funds both public or private guardianship services for new wards. The 1st year of the biennium would fund 43 new wards at $225/month = $116,100. The rate would increase to $250/month in year 2 of biennium, funding 43 existing wards at $250/month = $129,000, and adding 43 additional wards at $225/month = $116,100. Total Cost = **$361,200.** (Monthly rate is based on 2080 hours/annually)	
			Contract with Court system to develop training and tutorial for new guardians. COST = **$75,000**	
			BCI Background checks for 86 guardians @ $15.00. COST = **$1,290**	
			Monitor newly established guardians of existing DHS staff. These operating costs include travel, per diem, etc. COST = **$4,510**	
			Contract for three Vulnerable Adult Protective Services in 3 geographic areas @ $88,000/annually. The $383,000 general fund would be added to existing federal funds of $145,000 for a total of $528,000. COST in Bill= **$383,000**	

HB 1012
1/30/2013
Attachment #2



HB 1012
1/30/2013 PM
Attachment #3

What does a guardian do?

A general guardian is responsible for decisions in ALL aspects of the ward's life. The guardian assures that the ward has a place to live, food to eat, proper clothing, and other necessities, as well as medical treatment, schooling, vocational opportunities, and other needed services. The guardian may oversee social security and medical benefits, but is not required to have the ward live with him or her, or assume personal financial responsibility.

A limited guardian has the authority to make decisions ONLY in specific areas of the ward's life, such as financial or residential. The court's Findings of Fact and Orders and/or Letters of Appointment will identify these areas.

An emergency or temporary guardian may be appointed in situations where immediate action is required to prevent harm to the ward. An emergency guardianship CANNOT be in effect longer than 90 days and has ONLY the authority identified by the court at the time of the appointment. The court may grant an extension beyond the 90-day limit if necessary.

HB 1012
1/30/2013 AM
Attachment #4

Vision
The North Dakota Hospital Association will take an active leadership role in major Healthcare issues.

Mission
The North Dakota Hospital Association exists to advance the health status of persons served by the membership.

North Dakota Hospital Association
Critical Access Hospital and Physician
Average Medicare and ND Medicaid Reimbursement
if service costs $1

CAH Hospital Payments

Hospital Actual Cost	$1.00
Charge	$1.20
Medicare Allowed Payment	$.93
Medicaid Payment	$.92

- Medicare reimburses Critical Access Hospitals (rural) at 101% of "Medicare allowed costs".
- "Medicare allowed costs" does not equate to "Actual costs" of providing the service. Certain categories are excluded like physician recruitment, marketing, phone, TV, etc.
- The average CAH Medicare allowed costs compared to actual cost is 92%. $.92 ($1.00*92%) average allowed cost per Medicare guidelines in North Dakota.
- ND Medicaid reimburses CAHs based on 100% of "Medicare allowed costs".

Physician Payments

Physician Actual Cost	$1.00
Charge	$1.20
Medicaid Payment	$.75
Medicare Payment	$.56

- 2009-11 legislative session rebased Physician to 75% of cost. DHS determined cost.
- No inflationary increase in 20011-13 biennium.
- ND Medicaid rate at 136% of Medicare.

PO Box 7340 Bismarck, ND 58507-7340 Phone 701 224-9732 Fax 701 224-9529

HB 1012
1/30/2013 PM
Attachment # 5

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-03 **MEDICAL SERVICES**									
		S101 FULL-TIME EQUIVALENTS (FTEs)		49.500	54.500	0.000	2.000	0.000	56.500
32510	B	511000 Salaries - Permanent		4,521,677	4,961,400	2,256,337	577,341	0	5,538,741
32510	B	513000 Temporary Salaries		205,456	438,936	244,747	41,690	0	480,626
32510	B	514000 Overtime		14,275	50,056	23,687	5,216	0	55,272
32510	B	516000 Fringe Benefits		1,767,079	2,112,803	887,004	218,551	0	2,331,354
32510	B	599161 Health Increase		0	0	0	0	130,054	130,054
32510	B	599162 Retirement Increase		0	0	0	0	57,482	57,482
			Subtotal:	6,508,487	7,563,195	3,411,775	842,798	187,536	8,593,529
32510	F	F_1991 Salary - General Fund		2,979,668	3,401,271	1,545,378	588,066	100,628	4,089,965
32510	F	F_1992 Salary - Federal Funds		3,513,924	4,143,091	1,864,152	259,674	86,908	4,489,673
32510	F	F_1993 Salary - Other Funds		14,895	18,833	2,245	(4,942)	0	13,891
			Subtotal:	6,508,487	7,563,195	3,411,775	842,798	187,536	8,593,529
32530	B	521000 Travel		129,403	209,313	85,508	31,699	0	241,012
32530	B	531000 Supplies - IT Software		23,951	18,875	9,800	(1,863)	0	17,012
32530	B	532000 Supply/Material-Professional		5,993	9,311	8,020	7,897	0	17,208
32530	B	536000 Office Supplies		24,662	34,632	23,910	(11,688)	0	22,944
32530	B	541000 Postage		1,313	900	663	586	0	1,486
32530	B	542000 Printing		99,240	78,100	34,073	(6,800)	0	71,300
32530	B	553000 Office Equip & Furniture-Under		23,478	7,500	6,547	(2,300)	0	5,200
32530	B	581000 Rentals/Leases-Equip & Other		0	0	0	554	0	554
32530	B	582000 Rentals/Leases - Bldg/Land		60,084	53,892	33,156	6,778	0	60,670
32530	B	591000 Repairs		2,925	2,026	1,410	2,654	0	4,680
32530	B	601000 IT - Data Processing		10,791	7,903	5,326	(903)	0	7,000
32530	B	602000 IT-Communications		3,129	6,280	3,091	(1,220)	0	5,060
32530	B	611000 Professional Development		45,120	28,827	23,510	25,208	0	54,035
32530	B	621000 Operating Fees and Services		21,303,144	33,425,965	16,064,626	5,165,709	0	38,591,674
			Subtotal:	21,733,233	33,883,524	16,299,640	5,216,311	0	39,099,835
32530	F	F_3991 Operating - General Fund		17,061,650	26,854,518	13,278,509	4,609,539	0	31,464,057

DEPARTMENT OF HUMAN SERVICES
Summary by Subdivision and Bgt_Acct with Funding Sources
For the 2013 - 2015 Biennium Budget

Class	FB	Budget Account Code		Prior Bien Exp 2009-2011	Current Budget 2011-2013	Year 1	Total Changes	Exec Salary Recmndtn	To the House 2013-2015
Subdivision: 300-03 MEDICAL SERVICES									
32530	F	F_3992	Operating - Federal Funds	3,496,429	5,826,315	2,483,033	513,039	0	6,339,354
32530	F	F_3993	Operating - Other Funds	1,175,154	1,202,691	538,098	93,733	0	1,296,424
			Subtotal:	21,733,233	33,883,524	16,299,640	5,216,311	0	39,099,835
32573	B	712000	Grants, Benefits & Claims	544,860,324	659,018,818	289,197,518	(13,555,668)	0	645,463,150
			Subtotal:	544,860,324	659,018,818	289,197,518	(13,555,668)	0	645,463,150
32573	F	F_7391	MA Grants - General Fund	129,804,533	205,584,821	110,569,667	51,027,280	0	256,612,101
32573	F	F_7392	MA Grants - Federal Funds	380,744,372	418,598,233	167,646,443	(70,271,853)	0	348,326,380
32573	F	F_7393	MA Grants - Other Funds	16,074,731	13,705,200	10,781,408	3,906,000	0	17,611,200
32573	F	F_7394	MA Grants - Retained Funds	17,371,689	19,960,714	0	1,300,694	0	21,261,408
32573	F	F_7395	MA Grants - County Funds	864,999	969,850	0	682,211	0	1,652,061
32573	F	F_7396	MA Grants - IGT Funds	0	200,000	200,000	(200,000)	0	0
			Subtotal:	544,860,324	659,018,818	289,197,518	(13,555,668)	0	645,463,150
			Subdivision Budget Total:	573,102,044	700,465,537	308,908,933	(7,496,559)	187,536	693,156,514
300-03 MEDICAL SERVICES			**General Funds:**	149,845,851	235,840,610	125,393,554	56,224,885	100,628	292,166,123
			Federal Funds:	387,754,725	428,567,639	171,993,628	(69,499,140)	86,908	359,155,407
			Other Funds:	17,264,780	14,926,724	11,321,751	3,994,791	0	18,921,515
			SWAP Funds:	17,371,689	19,960,714	0	1,300,694	0	21,261,408
			County Funds:	864,999	969,850	0	682,211	0	1,652,061
			IGT Funds:	0	200,000	200,000	(200,000)	0	0
			Subdivision Funding Total:	573,102,044	700,465,537	308,908,933	(7,496,559)	187,536	693,156,514

Medical Services - 2013-15 Biennium Budget

Budget Account Code 582000 - Rental / Leases

			$29,334	$31,336	$ -	$60,670

Description	Square Footage	Rate per Square Foot	General Fund	Federal Funds	Other Funds	Total
Northbrook LLP-Medicaid Eligibility			15,600	15,600		31,200
Health Tracks-Minot			2,400	2,400		4,800
Health Tracks-Grand Forks			5,500	5,500		11,000
Health Tracks-Fargo			5,760	5,760		11,520
Booth and Room Rentals-MFP and Other			74	2,076		2,150

Medical Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

		$31,453,110	$ 5,970,244	$ 1,168,320	$38,591,674
Description	**Comments**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Actuary Services-Optumas	Vendor to provide actuary services for disease management and Program of All-Inclusive Care for the Elderly (PACE).	30,000	30,000		60,000
Acumen Fiscal Agent	Vendor to provide fiscal agent services for the Children's Medically Fragile waiver.	2,500	2,500		5,000
Background Checks/Research Fees	Costs for IDB/FBI and State background checks.	1,720	485		2,205
CHIP Actuary Services	Vendor to complete actuary services for the Children's Health Insurance Program (CHIP) product.	41,268	18,732		60,000
CHIP External Quality Review-Delmarva	Vendor to conduct an external quality review for CHIP.	102,447	46,503		148,950
Community of Care	Vendor to provide pilot/testing of a home and community based model.	120,000			120,000
Dakota Center for Independent Living	Money Follows the Person transition coordinator, outreach services and individual recipient transitional costs.	12,310	186,616	8,400	207,326
Dakota Medical Foundation	Vendor to provide CHIP outreach and education.	202,930	447,070		650,000
DDM Ascend Management	Vendor to conduct Level of Care assessments for Long-Term Care Services and certificate of need reviews for Medicaid recipients (under 21) for inpatient psychiatric services.	656,870	1,131,209		1,788,079
Dispensing Survey for Pharmacies	Costs for a survey to assess the actual cost of dispensing prescriptions; the results will be used to help determine dispensing fees.	63,750	21,250		85,000
DLN Consulting Inc.	Vendor to survey clients transitioned through Money Follows the Person.	31,200	13,000		44,200
Drug Clawback		28,352,679		1,134,720	29,487,399
First Data Bank	Vendor to provide a prescription database for claims payment.	44,782	134,345		179,127
Freedom Resource Center	Money Follows the Person transition coordinators, outreach services and individual recipient transitional costs.	12,310	303,677	8,400	324,387
Freight & Express/Document Management Services	Costs for shipping recipient case files and other Division materials. Costs for shredding confidential materials.	1,495	2,187		3,682
Goold Health Systems	Vendor to provide pharmacy services-Maximum Allowable Cost (MAC) services for generic drugs.	49,920	49,920		99,840
Health Info Design	Vendor to provide pharmacy services such as academic detailing, prior authorization, drug rebate dispute resolution, etc.	175,000	175,000		350,000

Medical Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

		$31,453,110	$ 5,970,244	$ 1,168,320	$38,591,674
Description	**Comments**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Health Management Systems	Vendor to provide third party liability services.	16,632	46,368		63,000
Health Management Systems	Vendor to provide a national file of prescribers-streamlined enrollment of prescribers.	60,000	60,000		120,000
Independence Inc.	Money Follows the Person transition coordinators, outreach services and individual recipient transitional costs.	12,310	289,174	8,400	309,884
IRS-DIFSLA Project	Costs for a data match from the IRS.	725	725		1,450
J-Code Services	Vendor to provide pharmacy services- J-code crosswalks, drug rebates, J-code quantity limits, etc.	112,500	37,500		150,000
Lake Region State College	Vendor to provide training of Qualified Service Providers.	76,428	18,572		95,000
LCA Options Counselors-MDS-Section Q	Money Follows the Person- funding for two temporary staff positions who provide assessments and education of the services available to nursing home residents who want to move into the community.		300,466		300,466
Staff Licensures (RN, Pharmacist, LSW, CPA, etc.)		1,278	1,192		2,470
MABU (Marketing & Advertising Business Unlimited)	Vendor to develop outreach materials for Money Follows the Person and Home and Community-Based Services.		90,300		90,300
Minot State University	Vendor to develop and implement the Money Follows the Person housing initiative.		853,816		853,816
Myers & Stauffer LC	Vendor to preform Disproportionate Share Hospital Audit services and Critical Access Hospitals cost settlements.	113,201	113,200		226,401
ND Healthcare Review	Vendor to provide utilization review of hospital services and prior authorization of special medical services.	173,423	520,270		693,693
ND Healthcare Review	Vendor to develop medical coverage policies.	37,500	37,500		75,000
Options - Interstate Resource Center	One Money Follows the Person transition coordinator, outreach services and individual recipient transitional costs.	12,310	191,801	8,400	212,511
Professional Medical Expert Reviews	Expert medical professionals for reviewing medical records and prior authorizations; these medical professionals may provide expert witness testimony in a situation involving an investigation.	42,000	42,000		84,000

Medical Services - 2013-15 Biennium Budget

Budget Account Code 621000 - Operating Fees and Services

		$31,453,110	$ 5,970,244	$ 1,168,320	$38,591,674
Description	**Comments**	**General Fund**	**Federal Funds**	**Other Funds**	**Total**
Program Integrity Services	Vendor to provide case management and tracking of Surveillance Utilization Review Section audits, fraud and abuse activities, etc.	158,000	158,000		316,000
Provider Enrollment Site Visits (ACA)	Vendor to preform onsite provider visits.	145,350	145,350		290,700
Provider Screening Contract	Vendor to prescreen potential providers and check national databases before consideration of enrollment by the Division; and conduct monthly checks of each database to ensure an enrolled provider is still eligible to participate in Medicaid.	120,000	120,000		240,000
Public Notices	Costs for public notices that are generally sent quarterly and used to advise the community of Medicaid program or policy changes.	9,511	7,989		17,500
Quality Assurance Measures ($150,000 additional funds added for ACA)	Vendor to assist the Division in developing and tracking quality assurance measures.	131,000	131,000		262,000
Short Run Plastic Cards	Vendor to provide Medicaid ID cards to enrollees.	18,412	18,412		36,824
St. Alexius Home Care & Hospice	Vendor to provide Money Follows the Person nursing quality pre and post transition assessments.		70,200		70,200
Study for LTC	Costs for a study of long term care services.	160,900	39,100		200,000
The Rushmore Group LLC	Vendor to conduct Payment Error Rate Measurement reviews.	62,828	62,827		125,655
US Care Management	MFP - Vendor to provide 24 hour telephone backup for clients who have transitioned home.	8,221	28,643		36,864
Years of Service Awards		1,360	1,385		2,745
QSP Mileage Differential Oversight	With the addition of the QSP mileage differential, the Department will need to monitor who receives the differential, monitor any address changes for cleints of QSP's and audit service records to ensure only eligible QSP's receive the differential. The funding will be used to contract for this oversight.	78,040	21,960		100,000

HB 1012
1/30/2013 PM
Attachment #6

Department of Human Services
Clawback Analysis
For analysis purposes Dual Eligibles were held constant at 10,700

Increase in Clawback Payments 2 % Inflation

	Monthly Total	Yearly Total	Biennial Total	Estimated Increase Each Biennium
2013	1,239,712	14,876,544		
2014	1,222,882	14,674,587		
2015	1,234,401	14,812,812	29,487,399	
2016	1,259,089	15,109,068		
2017	1,284,271	15,411,252	30,520,320	1,032,921
2018	1,309,956	15,719,472		
2019	1,336,155	16,033,860	31,753,332	1,233,012
2020	1,362,878	16,354,536		
2021	1,390,136	16,681,632	33,036,168	1,282,836
2022	1,417,939	17,015,268		
2023	1,446,298	17,355,576	34,370,844	1,334,676
2024	1,475,224	17,702,688		
2025	1,504,728	18,056,736	35,759,424	1,388,580
2026	1,534,823	18,417,876		
2027	1,565,519	18,786,228	37,204,104	1,444,680
2028	1,596,829	19,161,948		
2029	1,628,766	19,545,192	38,707,140	1,503,036
2030	1,661,341	19,936,092		
2031	1,694,568	20,334,816	40,270,908	1,563,768
2032	1,728,459	20,741,508		
2033	1,763,028	21,156,336	41,897,844	1,626,936
2034	1,798,289	21,579,468		
2035	1,834,255	22,011,060	43,590,528	1,692,684
2036	1,870,940	22,451,280		
2037	1,908,359	22,900,308	45,351,588	1,761,060
2038	1,946,526	23,358,312		
2039	1,985,457	23,825,484	47,183,796	1,832,208
2040	2,025,166	24,301,992		

Actual Increases Requested	
2009 - 2011	3.3 million
2011-2013	6.9 million
2013-2015	3.1 million

Actual Drug Inflation	
2007	6.86%
2008	1.69%
2009	9.26%
2010	4.77%
2011	0.28%
2012	4.10%

Increase in Clawback Payments at 4 % Inflation

	Monthly Total	Yearly Total	Biennial Total	Estimated Increase Each Biennium
2013	1,239,712	14,876,544		
2014	1,289,300	15,471,600		
2015	1,340,872	16,090,464	31,562,064	
2016	1,394,507	16,734,084		
2017	1,450,287	17,403,444	34,137,528	2,575,464
2018	1,508,298	18,099,576		
2019	1,568,630	18,823,560	36,923,136	2,785,608
2020	1,631,375	19,576,500		
2021	1,696,630	20,359,560	39,936,060	3,012,924
2022	1,764,495	21,173,940		
2023	1,835,075	22,020,900	43,194,840	3,258,780
2024	1,908,478	22,901,736		
2025	1,984,817	23,817,804	46,719,540	3,524,700
2026	2,064,210	24,770,520		
2027	2,146,778	25,761,336	50,531,856	3,812,316
2028	2,232,649	26,791,788		
2029	2,321,955	27,863,460	54,655,248	4,123,392
2030	2,414,833	28,977,996		
2031	2,511,426	30,137,112	59,115,108	4,459,860
2032	2,611,883	31,342,596		
2033	2,716,358	32,596,296	63,938,892	4,823,784
2034	2,825,012	33,900,144		
2035	2,938,012	35,256,144	69,156,288	5,217,396
2036	3,055,532	36,666,384		
2037	3,177,753	38,133,036	74,799,420	5,643,132
2038	3,304,863	39,658,356		
2039	3,437,058	41,244,696	80,903,052	6,103,632
2040	3,574,540	42,894,480		

HB 1012
1/30/2013 Am
Attachment #7

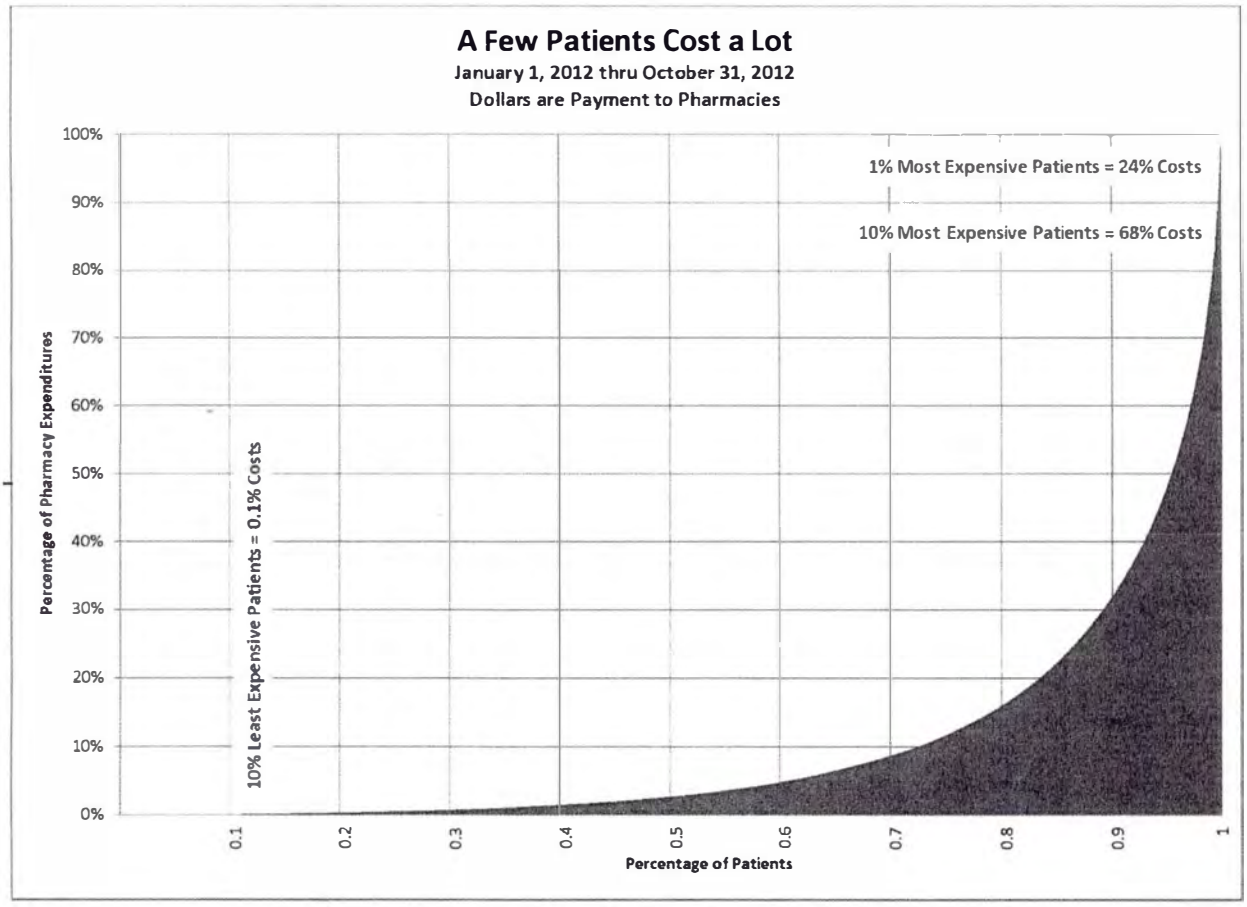
Department of Human Services

Medical Services Division

High Cost Prescription Drugs

Medications that North Dakota Medicaid is currently paying for:

- Firazyr, Hereditary Angioedema, $22,000 per fill (unknown how often it would have to be filled as it depends on the number of events the person suffers).
- Elaprase, Mucopolysaccharidosis, MPS-II (enzyme replacement), $5,681 per week ($295,000 per year).
- Acthar, seizures, $79,000 per fill
- Helixate, Hemophilia, $250,000 per patient per year average



HB 1012
1/30/2013 PM
Attachment #8

Department of Human Services
Affordable Care Act Related Expenses
(Does Not Include Medicaid Expansion)

		2011-2013 Budget *(FTE authorized in the Special Session)*			2013-2015 Executive Budget		
	Start Date	General Fund	Federal Funds	Total Funds	General Fund	Federal Funds	Total Funds
Salaries and Operating Expenses:							
Administration/Support-Legal Unit Attorney	7/2013				81,571	84,291	165,862
Economic Assistance Policy Trainer**	4/2013	17,058	-	17,058	79,859	115,683	195,542
Child Support Enforcement Attorney**	7/2011	59,368	115,244	174,612	62,322	120,977	183,299
Medical Services							
Eligibility Policy**	7/2011	55,460	55,459	110,919	71,816	71,815	143,631
Program Integrity**	1/2012	51,980	51,981	103,961	74,013	74,012	148,025
Nurse**	10/2012	13,224	39,672	52,896	43,920	108,158	152,078
SURS Analyst**	1/2013	5,888	18,333	24,221	43,113	60,450	103,563
Administrative Support**	1/2013	11,145	9,467	20,612	46,029	37,055	83,084
Pharmacy Technician	10/2013				40,323	40,323	80,646
Coding Specialist	10/2013				47,842	67,079	114,921
Medical Services Contracts							
Provider Enrollment Site Visits					145,350	145,350	290,700
Provider Screening Contract					120,000	120,000	240,000
Quality Assurance Measures					75,000	75,000	150,000
Total Salary and Operating Expenses		$ 214,123	$ 290,156	$ 504,279	$ 931,158	$ 1,120,193	$ 2,051,351
Medical Services Grants:							
Woodwork Effect					4,536,578	4,536,618	9,073,196
Vaccine Administration Fees*							
Foster Care Coverage from Age 19 through 25					90,000	90,000	180,000
Drug Rebates		2,500,000		2,500,000	2,800,000		2,800,000
Total Medical Services Grants		2,500,000	-	2,500,000	7,426,578	4,626,618	12,053,196
Total Affordable Care Act Related Expenses		$ 2,714,123	$ 290,156	$ 3,004,279	$ 8,357,736	$ 5,746,811	$ 14,104,547

Funding for Both 2011-2013 & 2013-2015 Bienniums

General Funds	**$ 11,071,859**
Federal Funds	**$ 6,036,967**
Total Funds	**$ 17,108,826**

* The Department does not have final information on the increase in fees or the impact of the increase on program expenditures. For calendar years 2013 and 2014, the increase in fees is expected to be supported with 100% general fund dollars.

**FTE were originally requested SB 2012 of the 62nd Legislative Session. However the FTE were authorized in HB 1475 of the Special Session, held in November 2011 .

HB1012
1/31/2013 AM
Attachment #1

Prepared by the North Dakota Legislative Council staff
January 2013

NORTH DAKOTA STATE AGENCY AND INSTITUTION VACANT POSITIONS AS OF DECEMBER 31, 2012, INCLUDED IN THE 2013-15 EXECUTIVE BUDGET

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included In the 2013-15 Executive Budget: General Fund	Special Funds	Total
GENERAL GOVERNMENT									
101 - Governor									
0001	1.00	Nonclassified - Deputy Chief of Staff	05/11	20	3/13	Recruiting	$225,427		$225,427
0002	0.50	Nonclassified - Constituent services	12/10	25	Unknown	Evaluating - Currently filled half time	95,881		95,881
	1.50						$321,308	$0	$321,308
108 - Secretary of State									
0025090	1.00	Administrative Staff Officer I	11/6/12	2	2/13	Advertising to fill position - Closed on 1/11/13		$121,716	$121,716
	1.00						$0	$121,716	$121,716
110 - Office of Management and Budget									
55	1.00	Assistant Executive Budget Analyst	12/12	1	6/13	Will fill position after legislative session	$219,870		$219,870
74	1.00	Training & Development Administrator	9/12	4	6/13	Position will be filled this summer	194,825		194,825
124	1.00	Custodian	7/12	6	8/13	Position will be used for the Heritage Center	73,656		73,658
150	1.00	Custodian	8/12	5	8/13	Position will be used for the Heritage Center	73,658		73,658
161	1.00	Printing Equipment Operator I	8/12	4	6/13	Position is being considered for reclassification		$91,837	91,837
	5.00						$562,007	$91,837	$653,844
112 - Information Technology Department									
28734	1.00	Programmer/Analyst I	10/12	3	1/13	Interviewing		$136,916	$136,916
296	1.00	Programmer/Analyst II	06/12	7		Using for part time		167,776	167,776
205	1.00	Programmer/Analyst III	11/12	2	1/13	Readvertising - Struggling finding applicants		182,964	182,964
230	1.00	Programmer/Analyst III	10/12	3	1/13	Readvertising - Struggling finding applicants		192,781	192,781
28735	1.00	Senior Programmer Analyst	12/12	1	1/13	Readvertising - Struggling finding applicants		217,366	217,366
226	0.35	Senior Programmer Analyst	07/11	18		Using for part time		93,434	93,434
28738	1.00	Senior Programmer Analyst	02/12	11	1/13	Readvertising - Struggling finding applicants		222,548	222,548
28741	1.00	Senior Programmer Analyst	02/12	11	1/13	Readvertising - Struggling finding applicants		222,548	222,548
28742	1.00	Senior Programmer Analyst	02/12	11	1/13	Readvertising - Struggling finding applicants		222,548	222,548
242	1.00	Computer Production Operator II	11/12	2	3/13	Advertising		130,179	130,179
28733	1.00	Project Manager II	11/12	2	1/13	Readvertising - Struggling finding applicants		182,245	182,245
28328	1.00	Programmer/Analyst III	12/12	1	1/13	Readvertising - Struggling finding applicants	$163,434		163,434
326	1.00	Teacher II	08/11	17	4/13	Will be advertising this spring	152,243		152,243
335	0.50	Office Assistant III	07/11	18	2/13	Interviewing		58,317	58,317
	12.85						$315,677	$2,029,622	$2,345,299
117 - State Auditor									
562	1.00	Auditor II	9/12	3	1/2/13	Position was filled 1/2/13	$133,593		$133,593
511	1.00	Auditor II	10/12	2	1/2/13	Position was filled 1/2/13	132,413		132,413
538	1.00	Local Government Auditor	6/11	18	6/2/13	Vacant		$133,305	133,305
547	1.00	Local Government Auditor	6/11	18	7/2/13	Vacant		133,305	133,305
	4.00						$266,006	$266,610	$532,616
120 - State Treasurer									
		None							
	0.00						$0	$0	$0
125 - Attorney General									
603	1.00	Assistant Attorney General	10/12	3	2/13	Final offer pending		$162,899	$162,899
661	1.00	Administrative Assistant II	11/12	2	2/13	Readvertised	$109,826		109,826
26387	1.00	Identification Technician I	8/12	5	1/13	Filled	107,350		107,350
673	1.00	Criminal Investigator I	10/12	3	1/13	Filled	183,910		183,910
10289	1.00	Assistant Attorney General	12/12	1	3/13	In process	161,172		161,172
	5.00						$562,258	$162,899	$725,157
127 - Tax Commissioner									
445	1.00	Office Assistant III	6/11	18	1/7/13	Filled	$95,259		$95,259
450	1.00	Audit Technician	11/12	1		Recruitment pending	97,188		97,188
447	1.00	Office Assistant II	11/12	1	1/17/13	Filled	100,288		100,268
454	1.00	Auditor I	9/11	15	2/4/13	Filled	128,538		128,538
461	1.00	Auditor I	10/12	2	2/4/13	Filled	125,071		125,071
783	1.00	Auditor III	10/12	2		Recruitment pending	126,525		126,525
798	1.00	Auditor I	7/12	5	1/22/13	Filled	128,612		128,612
811	1.00	Compliance Officer I	11/12	1		Currently recruiting	132,799		132,799

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-15 Executive Budget: General Fund	Special Funds	Total
818	1.00	Auditor I	6/12	6	1/22/13	Filled	128,613		128,613
821	1.00	Compliance Officer I	6/12	6	2/4/13	Filled	128,612		128,612
823	1.00	Auditor IV	5/12	7		Recruitment pending	146,547		146,547
828	1.00	Auditor III	7/12	5		Recruitment pending	138,240		138,240
28812	1.00	Compliance Officer I		New	1/2/13	Filled	125,503		125,503
	13.00						$1,601,775	$0	$1,601,775
140 - Office of Administrative Hearings									
		None							
	0.00						$0	$0	$0
160 - Legislative Council									
27346-1	1.00	Fiscal Analyst	11/12	2	5/13	Filled with temporary staff	$183,482		$183,482
0901-1	1.00	Proofreader	10/12	3	5/13	Filled with temporary staff	94,511		94,511
0050-1	1.00	Assistant Administrative Unit Supervisor	9/12	4	5/13	Filled with temporary staff	123,155		123,155
0900-1	1.00	Business Analyst	7/11	18	7/13	Contracting for services from the Information Technology Department	155,340		155,340
0904-1	1.00	Legislative Services Specialist	12/10	25	7/13	Filled with temporary staff	94,511		94,511
	5.00						$650,999	$0	$650,999
180 - Judicial branch									
936	1.00	Deputy Clerk of District Court II	11/12	1	1/1/13	New employee started 1/1/13	$125,775		$125,775
1023	1.00	Court Reporter	11/12	1	1/1/13	New employee started 1/1/13	137,882		137,882
1052	1.00	Deputy Clerk of District Court I	12/12	0	2/1/13	New employee will probably start in February 2013	83,600		83,600
1109	1.00	Deputy Clerk of District Court II	11/12	1	1/1/13	New employee started 1/1/13	129,978		129,978
1170	1.00	Deputy Supreme Court Clerk I	11/12	1	1/1/13	New employee started 1/1/13	86,681		86,681
	5.00						$563,916	$0	$563,916
188 - Commission on Legal Cousel for Indigents									
		None							
	0.00						$0	$0	$0
190 - Retirement and Investment Office									
1197	1.00	Executive Director/CIO	5/31/12	7	5/13	Advertising to fill position		$563,102	$563,102
	1.00						$0	$563,102	$563,102
192 - Public Employees Retirement System									
1245	1.00	Auditor II	10/26/12	2	1/1/13	Filled 1/1/13		$128,538	$128,538
1222	0.50	Administrative Staff Officer I	10/31/12	2	Unknown	On hold until after legislative session		122,694	122,694
	1.50						$0	$251,232	$251,232
201 - Department of Public Instruction									
1256	1.00	Administrative Assistant II	7/12	4	Open	Reclassify to Assistant Director		$158,782	$158,782
1295	1.00	Special Education Regional Coordinator	6/12	5	Open	Open until filled	$57,050	101,732	156,782
1308	0.50	Administrative Assistant III	6/12	5	Open	Title I (lack of federal funds)		65,143	65,143
1328	1.00	Education Program Administrator I	4/12	7	Open	Transferred from School Health to Child Nutrition and Food Distribution		132,873	132,873
1337	1.00	Education Program Administrator III	4/12	8	Open	School Health (lack of federal funds)		132,873	132,873
1332	1.00	Programmer/Analyst II	8/12	4	1/13	Filled January 2013	45,215	83,972	129,187
1289	1.00	Division Manager, DPI	4/12	8	1/13	Now unclassified position - Deputy Superintendent	266,609		268,609
26949	1.00	Assist Director, Primary/Secondary Education	11/12	1	1/13	Filled January 2013	162,554		162,554
	7.50						$533,428	$675,375	$1,208,803
226 - Department of Trust Lands									
28655	1.00	Account Budget Specialist II	10/1/12	2	1/1/13	Filled		$162,600	$162,600
1486	1.00	Programmer Analyst I	9/14/12	4	1/16/13	Filled		156,779	156,779
	2.00						$0	$319,379	$319,379

NOTE: The institutions of higher education are not included in this report since the North Dakota University System receives a "block grant" general fund appropriation.

250 - State Library									
		None							
	0.00						$0	$0	$0
252 - School for the Deaf									
1546	0.79	Direct Care Associate	12/3/12	1	1/14/13	Filled	$65,473		$65,473
1528	1.00	General Trades Worker II	12/28/12	0	1/1/13	Filled	134,437		134,437
1577	0.75	Facility - Not classified	8/1/12	5	ASAP	Advertising to fill position	179,051		179,051
1553	0.75	Facility - Not classified	7/1/12	6	ASAP	Evaluating	124,382		124,382
	3.29						$503,343	$0	$503,343

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-16 Executive Budget: General Fund	Special Funds	Total
253 - North Dakota Vision Services - School for the Blind									
1586	1.00	Faculty - Teacher	7/1/11	18	8/1/11	Person training to fill position	$120,244		$120,244
1600	1.00	Vision Assistant	9/1/12	4	4/1/13	Assessing needs to hire in western North Dakota	95,083		95,083
	2.00						$215,327	$0	$215,327
270 - Department of Career and Technical Education									
1642	0.50	Trainee position - For cooperative education students	6/30/02	103	Unknown	On an agency needs basis	$29,142	$29,143	$58,285
1640	1.00	Administrative Assistant II	8/1/10	29	Unknown	Evaluating		100,268	100,268
1628	1.00	Assistant Supervisor	11/1/12	3	Unknown	Advertising	115,783	38,595	154,378
1637	0.50	Administrative Assistant II	N/A	N/A		To be deleted during 2013 legislative session	71,045		71,045
	2.00						$215,970	$168,006	$383,976
HEALTH AND WELFARE									
301 - State Department of Health									
33113	1.00	Health Care Facility Surveyor II	7/11	18	1/22/13	Filled		$151,413	$151,413
1697	1.00	Environmental Scientist III	6/12	7		Recruiting	$11,442	179,260	190,702
1733	1.00	Microbiologist III (pending reclassification)	10/12	3		Recruiting	98,013	68,111	166,124
1759	1.00	Chemist II	11/12	2		Recruiting	87,953	38,616	126,569
1761	1.00	Environmental Scientist II	11/12	2		Recruiting	34,832	94,177	129,009
1776	1.00	Environmental Engineer II	12/12	1		Recruiting	10,226	160,209	170,435
1909	1.00	Health Care Facility Surveyor II	6/12	7		Recruiting	19,931	112,942	132,873
1967	1.00	HHSPA IV	12/12	1		Recruiting		173,579	173,579
1973	1.00	Data Processing Coord. III	8/12	5		Recruiting		140,588	140,588
3315	1.00	HHSPA III	12/12	1		Recruiting	72,653	61,890	134,543
1734	1.00	Epidemiologist III	10/12	3		Accessing federal grant funding		154,925	154,925
1755	1.00	Environmental Scientist II	12/12	1		Accessing federal grant funding	7,592	118,941	126,533
26235	1.00	Microbiologist I	6/11	19		Reassigned for oil impact - Will be recruiting	134,049	27	134,076
	13.00						$476,691	$1,454,678	$1,931,369
305 - Tobacco Prevention and Control Committee									
		None							
	0.00						$0	$0	$0
313 - Veterans' Home									
3034	1.00	Resident Living Specialist	12/5/11	13		Filling when resident census increases		$84,110	$84,110
3041	1.00	Licensed Practical Nurse II	2/2/12	11		Filling when resident census increases		109,618	109,618
3046	1.00	Resident Living Specialist	11/21/11	13		Filling when resident census increases		83,917	83,917
3065	1.00	Resident Living Specialist	9/22/11	15		Filling when resident census increases		61,470	61,470
3086	0.60	Resident Living Specialist	10/3/11	15		Filling when resident census increases		61,470	61,470
3101	0.60	Account Technician II	4/23/12	8		Advertising		63,304	63,304
28184	0.80	Resident Living Specialist	10/28/11	14		Filling when resident census increases		74,092	74,092
	5.00						$0	$537,981	$537,981
316 - Indian Affairs Commission									
		None							
	0.00						$0	$0	$0
321 - Department of Veterans' Affairs									
		None							
	0.00						$0	$0	$0
325 - Department of Human Services									
Shifted positions									
00002084	1.00	Human Service Program Administrator	9/12	4	2/1	In process of filling	$40,452	$40,452	$80,904
00024595	1.00	Direct Care Associate III	6/12	7	6/13	In process of filling	43,778	43,778	87,556
00026584	0.06	Licensed Practical Nurse II	2/10	35	6/13	In process of filling	2,841	2,265	5,106
00002169	0.50	Office Assistant II	3/12	10	6/13	In process of filling	41,295		41,295
00027429	0.50	Direct Care Associate I	5/12	8	6/13	In process of filling	16,426	19,416	35,842
00024599	1.00	Direct Care Associate I	6/12	7	ASAP	In process of filling	16,426	19,416	35,842
00024588	1.00	Direct Care Associate I	6/12	7	ASAP	In process of filling	16,426	19,416	35,842
Administration/Support									
00003281	1.00	Executive Director - Appointed	10/12	3		Pending appointment of Executive Director	316,560	79,288	395,848
00003300	1.00	Deputy Director - Appointed	8/05	89		Pending appointment of Executive Director	248,357	62,206	310,563
00004053	1.00	Public Information Specialist IV	5/11	20		Pending appointment of Executive Director	129,626	32,467	162,093
00003271	1.00	Accounting Manager II	11/12	2	6/13	In process of filling	109,875	135,876	245,751
00003914	1.00	Account/Budget Specialist III	8/12	5	2/13	In process of filling	68,610	84,847	153,457

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-15 Executive Budget: General Fund	Special Funds	Total
00003777	1.00	Human Service Program Administrator	7/12	6	6/13	Pending review - Will fill after legislative session	135,840	91,659	227,499
00003553	1.00	Auditor II	11/12	2	2/13	In process of filling	67,555	62,785	130,340
Children and Family Services									
00003177	1.00	Director, Children and Family Services	12/12	1	2/13	In process of filling	104,246	141,908	246,154
Developmental Disabilities									
00002362	1.00	Human Service Program Administrator III	7/12	6	Filled	Filled 1/1/13	73,521	81,979	155,500
Economic Assistance									
00028606	1.00	Trainer	N/A	0	4/13	Special legislative session - Not funded until 4/1/13	81,412	117,933	199,345
00026612	1.00	Administrative Assistant I	N/A	0	Filled	Special legislative session - Filled 1/1/13	47,590	38,313	85,903
Child Support									
00028607	1.00	Attorney II	11/11	14	2/13	Special legislative session - In process of filling	63,578	123,417	186,995
00025742	1.00	Administrative Assistant II	12/12	1	2/13	In process of filling	35,888	69,665	105,553
00025799	1.00	Child Support Investigator	12/12	1	2/13	In process of filling	41,772	81,088	122,860
00025731	1.00	Office Assistant I	12/12	1	2/13	In process of filling	18,847	61,184	80,031
Vocational Rehabilitation									
00003538	1.00	Human Service Program Administrator IV	5/12	8	2/13	In process of filling	33,122	122,378	155,500
00003834	1.00	Disability Claims Analyst I	5/11	20	2/13	In process of filling		122,004	122,004
00003835	1.00	Disability Claims Analyst II	11/11	14	ASAP	Hiring freeze by Social Security - Will fill when freeze is lifted		130,525	130,525
00003836	1.00	Computer and Network Specialist II	12/12	1	ASAP	Hiring freeze by Social Security - Will fill when freeze is lifted		118,191	118,191
00027140	1.00	Office Assistant III	2/12	11	2/13	In process of filling		58,227	58,227
Statewide human service center									
00003266	1.00	Administrative Staff Officer II	10/12	3	3/13	In process of filling		131,664	131,664
00003848	1.00	Administrative Staff Officer III	12/12	1	Filled	Filled 1/14/13		167,303	167,303
North Central Human Service Center									
00003141	0.30	Direct Care Associate III	6/12	7	4/13	In process of filling	23,151	19,406	42,557
00003380	1.00	Direct Care Associate III	12/12	1	Filled	Filled 1/24/13	48,200	40,403	88,603
00003433	1.00	Administrative Assistant I	9/12	4	Filled	Filled 1/7/13	82,431	17,268	99,699
00003663	1.00	Direct Care Associate III	4/12	9	4/13	In process of filling	42,185	50,448	92,633
00003828	1.00	MI Case Manager II	12/12	1	2/13	In process of filling	66,277	45,665	131,942
00003942	1.00	Human Service Program Administrator III	8/12	5	2/13	In process of filling	90,254	42,609	132,863
00004114	1.00	Human Service Fiscal Manager	12/12	1	4/13	In process of filling	174,093	36,469	210,562
00004124	1.00	Human Service Program Administrator VI	10/12	3	2/13	In process of filling	147,411	30,880	178,291
00004130	1.00	Addiction Counselor II	10/12	3	3/13	In process of filling	67,116	76,111	143,227
00003496	1.00	Vocational Rehabilitation Counselor III	8/12	5	5/13	Keeping vacant due to order of selection - Will be recruiting	28,300	104,563	132,863
00003504	1.00	Human Service Aide II	3/12	10	5/13	Keeping vacant due to order of selection - Will be recruiting	18,008	66,536	84,544
Northwest Human Service Center									
00003849	1.00	Psychiatric Clinical Nurse Specialist	12/12	1	ASAP	In process of filling	193,926	38,544	232,470
00003864	1.00	Addiction Counselor II	5/12	8	ASAP	In process of filling - Addiction Counselor	88,307	49,997	138,304
00003937	1.00	Advanced Clinical Specialist	12/12	1	2/13	In process of filling	43,895	102,470	146,365
00003955	0.75	Human Relations Counselor	8/12	5	3/13	In process of filling	23,500	54,858	78,358
00003594	1.00	Vocational Rehabilitation Counselor III	12/11	13	5/13	In process of filling	29,459	108,845	138,304
Northeast Human Service Center									
00004084	1.00	Developmental Disability Case Manager II	5/12	8	2/13	In process of filling	67,399	56,223	123,622
00004352	0.70	Human Relations Counselor	8/12	5	Filled	Filled 1/2/13	17,417	85,216	102,633
00004372	1.00	Human Relations Counselor	11/12	2	2/13	Filled 2/1/13	22,557	110,364	132,921
00003522	1.00	Administrative Assistant I	11/12	2	Filled	Filled 1/7/13	20,053	74,090	94,143
00002691	1.00	Social Worker II	12/12	1	ASAP	In process of filling	80,736	64,341	145,077
Lake Region Human Service Center									
00003193	1.00	Addiction Counselor II	3/12	10	ASAP	In process of filling - Using temporary until filled	56,718	66,904	123,622
00003195	1.00	Social Worker III	4/12	9	6/13	In process of filling	55,045	77,818	132,863
00003761	1.00	Addiction Counselor II	11/10	26	ASAP	In process of filling - Using temporary until filled	56,718	66,904	123,622
00003991	1.00	Licensed Psychologist I	5/11	20	ASAP	In process of filling	77,062	108,944	186,006
Southeast Human Service Center									
00003316	0.90	Psychiatrist - Unclassified	12/12	1	ASAP	In process of filling	331,373	95,434	426,807
00003417	1.00	Psychiatrist - Unclassified	11/12	2	ASAP	In process of filling	520,346	149,857	670,203
00003664	1.00	Human Service Program Administrator V	7/12	6	3/13	In process of filling	56,812	76,051	132,863
00004213	1.00	Advanced Clinical Specialist	12/12	1	2/13	In process of filling	66,488	89,003	155,491
00004226	1.00	Human Service Director of Nursing	10/12	3	2/13	In process of filling	135,966	39,158	175,124

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-15 Executive Budget: General Fund	Special Funds	Total
00004327	1.00	MI Case Manager II	7/12	6	3/13	In process of filling	52,713	70,909	123,622
00024918	1.00	Addiction Counselor II	10/12	3	3/13	In process of filling	75,001	57,662	132,663
South Central Human Service Center									
00003263	1.00	Office Assistant III	11/12	2	2/13	In process of filling	55,690	12,043	67,733
00004309	1.00	Addiction Counselor II	10/12	3	ASAP	In process of filling	72,122	67,622	139,744
West Central Human Service Center									
00003431	1.00	MI Case Manager II	11/12	2	Filled	Filled 1/16/13	75,682	64,522	140,204
00003753	1.00	Direct Care Associate III	11/12	2	2/13	In process of filling	25,341	57,016	82,357
00003549	1.00	Vocational Rehabilitation Counselor II	3/12	10	5/13	Keeping vacant due to order of selection - Will be recruiting	26,332	97,290	123,622
Badlands Human Service Center									
00003430	1.00	Developmental Disability Case Manager II	10/12	3	Filled	Filled 1/2/13	64,976	58,646	123,622
00003805	1.00	Developmental Disability Case Manager II	12/12	1	Filled	Filled 1/2/13	69,455	62,689	132,144
00003898	1.00	Addiction Counselor III	8/12	5	6/13	In process of filling	77,100	66,156	143,256
00003923	1.00	Registered Nurse II	4/12	9	3/13	In process of filling	82,011	41,611	123,622
00003562	1.00	Vocational Rehabilitation Counselor II	3/12	10	5/13	Keeping vacant due to order of selection - Will be recruiting	26,332	97,290	123,622
00003565	1.00	Office Assistant III	12/12	1	3/13	In process of filling	19,470	71,938	91,408
State Hospital									
00002952	1.00	Industrial Specialist	11/12	2	ASAP	In process of filling	94,871		94,871
00002845	1.00	Direct Care Associate II	12/12	1	ASAP	In process of filling	49,319	39,305	88,624
00002740	1.00	Direct Care Associate II	12/12	1	1/13	Filled 1/1/13	49,319	39,305	88,624
00024600	1.00	Direct Care Associate II	11/12	2	ASAP	In process of filling	88,624		88,624
00002862	1.00	Direct Care Associate III	12/12	1	2/13	In process of filling	51,498	41,041	92,539
00002921	1.00	Direct Care Associate III	12/12	1	2/13	In process of filling	79,004	22,517	101,521
00002686	1.00	Direct Care Associate III	12/12	1	1/13	Filled 1/7/13	92,539		92,539
00024591	1.00	Direct Care Associate III	12/12	1	2/13	In process of filling	92,539		92,539
00002568	1.00	Electrician III	7/12	6	1/13	Filled 1/1/13	154,973	15,121	170,094
00002560	1.00	Heating Plant Operator II	11/12	2	3/13	In process of filling	97,506	9,514	107,020
00002896	1.00	Licensed Practical Nurse I	11/12	2	1/13	Filled 1/7/13	55,311	44,080	99,391
00002759	1.00	Nurse Practitioner	7/12	6	ASAP	In process of filling	161,952	129,066	291,018
00002540	1.00	Office Assistant III	12/12	1	2/13	Filled 2/4/13	68,288		68,288
00002607	1.00	Psychiatric Clinical Nurse Specialist	9/12	4	2/13	Filled 2/1/13	89,085	18,079	107,184
00003004	1.00	Direct Care Associate I	8/12	5	ASAP	In process of filling	85,670	68,274	153,944
00027386	1.00	Registered Nurse II	1/12	12	1/13	Filled 1/7/13	74,279	59,197	133,476
00002748	1.00	Direct Care Associate I	3/12	10	ASAP	In process of filling	74,279	59,197	133,476
00002657	1.00	Psychiatrist - Unclassified	10/11	15	ASAP	In process of filling	473,817	110,349	584,166
00002655	1.00	Psychiatrist - Unclassified	7/12	6	ASAP	In process of filling	332,183	264,732	596,915
00002562	1.00	Psychiatrist - Unclassified	1/12	12	ASAP	In process of filling	551,037	33,122	584,159
Developmental Center									
00002090	0.50	Cook I	12/12	1	2/13	In process of filling	27,657	32,689	60,346
00010252	0.20	Direct Care Associate I	9/12	4	4/13	In process of filling	5,701	6,739	12,440
00001993	1.00	Direct Care Associate I	9/12	4	ASAP	In process of filling	38,703	45,747	84,450
00002296	1.00	Direct Care Associate I	12/12	1	ASAP	In process of filling	43,954	51,953	95,907
00002323	1.00	Direct Care Associate I	12/12	1	ASAP	In process of filling	38,848	45,919	84,767
00002405	0.51	Direct Care Associate I	6/12	7	ASAP	In process of filling	27,795	32,853	80,648
00002401	1.00	Direct Care Supervisor	6/12	7	ASAP	In process of filling	55,472	65,567	121,039
00002364	1.00	Direct Care Associate I	10/12	3	1/13	Filled 1/7/13	37,127	43,884	81,011
00002299	1.00	Direct Care Associate I	8/12	5	ASAP	In process of filling	42,490	50,222	92,712
00002394	0.50	Direct Care Associate I	9/12	4	ASAP	In process of filling	24,763	29,269	54,032
00002332	1.00	Direct Care Supervisor	11/12	2	1/13	Filled 1/7/13	45,551	53,840	99,391
00002385	1.00	Direct Care Associate I	9/12	4	1/13	Filled 1/7/13	38,703	45,747	84,450
00002366	1.00	Direct Care Associate I	10/12	3	ASAP	In process of filling	40,959	48,414	89,373
00002438	0.25	Direct Care Associate I	6/12	7	1/13	Filled 1/1/13	5,970	7,057	13,027
00002281	1.00	Direct Care Associate I	9/12	4	1/13	Filled 1/22/13	38,703	45,747	84,450
00002256	1.00	Direct Care Associate I	11/12	2	ASAP	In process of filling	41,619	49,193	90,812
00002494	0.49	Licensed Practical Nurse II	8/12	5	2/13	In process of filling	18,972	22,424	41,396
00002470	1.00	Direct Care Associate I	12/12	1	1/13	Filled 1/7/13	42,002	49,645	91,647
00002269	1.00	Direct Care Associate I	12/12	1	ASAP	In process of filling	39,680	46,900	86,580
00002126	1.00	Behavior Modification Specialist II	6/10	31	3/13	In process of filling	63,666	75,251	138,917
00002190	1.00	Direct Care Associate III	11/12	2	1/13	Filled 1/1/13	42,411	50,128	92,539
00002200	1.00	Direct Care Associate III	12/12	1	1/13	Filled 1/14/13	42,411	50,128	92,539
00002743	1.00	Direct Case Supervisor	12/12	1	2/13	In process of filling	57,233	45,612	102,845
	108.16						$8,903,954	$7,078,450	$15,982,404

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-15 Executive Budget: General Fund	Special Funds	Total
360 - Protection and Advocacy Project									
27049	1.00	Disabilities Advocate	11/12	1	1/14/13	Position currently filled	$42,980	$100,286	$143,266
	1.00						$42,980	$100,286	$143,266
380 - Job Service North Dakota									
4507	1.00	Customer Service Consultant	5/11	20	NA	Currently assessing		$142,107	$142,107
4518	1.00	Customer Service Specialist	4/12	9	NA	Currently assessing		108,490	108,490
4541	1.00	Customer Service Specialist	12/11	13	NA	Currently assessing		111,410	111,410
4548	1.00	Customer Service Specialist	4/12	9	NA	Currently assessing		110,822	110,822
4575	1.00	Customer Service Specialist	7/12	6	NA	Currently assessing		110,949	110,949
4611	1.00	Customer Service Specialist	8/12	5	NA	Currently assessing		113,338	113,338
4640	1.00	Customer Service Specialist	9/12	4	1/13	Filled 1/7/13		109,152	109,152
4642	1.00	Customer Service Specialist	12/12	0	2/13	New hire to start 2/15/13		122,855	122,855
4651	1.00	Customer Service Representative	11/12	2	2/13	New hire to start 2/1/13		101,638	101,638
4655	1.00	Customer Service Consultant	2/12	11	NA	Currently assessing		136,500	136,500
4695	1.00	Customer Service Representative	5/12	8	NA	Currently assessing		108,387	108,387
4698	1.00	Customer Service Specialist	10/11	15	NA	Currently assessing		110,978	110,978
4709	1.00	Administrative Staff Officer I	12/11	13	NA	Currently assessing		128,682	128,682
4764	1.00	Administrative Assistant I	3/12	10	NA	Currently assessing		98,109	98,109
4771	1.00	Research Analyst II	4/12	9	NA	Currently assessing		124,006	124,006
4776	1.00	Job Service Program Administrator III	3/11	22	NA	Currently assessing		168,138	168,138
4777	1.00	Quality Assurance Investigator II	10/12	3	1/13	Filled 1/3/13		135,291	135,291
	17.00						$0	$2,040,852	$2,040,852
401 - Insurance Department									
28645	1.00	Insurance Company Examiner I	12/13	13		Advertising until filled		$117,397	$117,397
28563	1.00	Life/Health Actuary	11/13	14	1/7/13	Filled		285,770	285,770
4914	1.00	Life/Health Actuary	3/13	10		Vacated due to retirement - Open until filled		285,770	285,770
4907	1.00	Insurance Claims Exam/Building Appraiser	11/13	2	3/4/13	Filled		146,183	146,183
4906	0.50	Office Assistant II	8/13	5		Not currently being advertised		59,269	59,269
4878	1.00	Senior Insurance Company Examiner	9/13	4		Promoted to Chief Examiner - Advertising		240,759	240,759
4874	1.00	General Counsel	11/13	2		Completed interviews - Job offer being made		249,308	249,308
4913	1.00	Policyholder Claims Invest	1/13	0		Reviewing applicants		103,244	103,244
	7.50						$0	$1,487,700	$1,487,700
413 - Department of Financial Institutions									
5055	1.00	Supervising Examiner	10/12	2	3/13	Advertising	$79,260		$79,260
5050	1.00	Financial Examiner I	12/12	1	3/13	Advertising	46,848		46,848
	2.00						$126,108	$0	$126,108
405 - Industrial Commission									
Public Finance Authority									
4975	1.00	Loan Officer I	7/1/11	18	Assess need	Under review		$115,123	$115,123
Administrative office									
27608	0.31	Budgeted - Pending Classification	5/1/12	9	7/1/13	Pending - Awaiting legislative action		55,804	55,804
Department of Mineral Resources Oil and Gas Division									
28660	1.00	Engineering Technician IV	12/1/11	12	Unknown	Recruiting - Open until filled	110,362		110,362
28825	1.00	Engineering Technician IV	12/21/12	0.5	Unknown	Recruiting - Closes 1/31/13	146,848		146,848
28826	1.00	Engineering Technician IV	12/21/12	0.5	Unknown	Recruiting - Closes 1/31/13	146,848		146,848
	4.31						$404,058	$170,927	$574,985
406 - Labor Commissioner									
		None							
	0.00						$0	$0	$0
408 - Public Service Commission									
5029	1.00	Attorney II	12/6/13		3/1/13	Interviews scheduled	$191,601		$191,601
27148	1.00	Public Utility Analyst II	1/1/13		3/1/13	Conducting interviews	165,691		165,691
5019	1.00	Environmental Engineer III	11/20/12		1/7/13	Filled	176,285		176,285
5009	1.00	Weights and Measures Inspector	10/30/12		Unknown	On hold	107,044		107,044
	4.00						$640,621	$0	$640,621
412 - Aeronautics Commission									
5041	1.00	Planner IV	1/11	24	8/13	Awaiting status of unmanned aircraft test site designation		$175,162	$175,162
	1.00						$0	$175,162	$175,162

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413 - Department of Financial Institutions									
5055	1.00	Supervising Examiner	10/2012	2	3/13	Advertising to fill position		$248,658	$248,658
5050	1.00	Financial Examiner I	12/2012	1	3/13	Advertising to fill position		185,757	185,757
	2.00						$0	$434,415	$434,415
414 - Securities Department									
		None							
	0.00						$0	$0	$0
471 - Bank of North Dakota									
10507	1.00	Accounting Manager	4/2010	32	2013	Staffing plan is being reviewed		$199,221	$199,221
10513	1.00	Senior Vice President/Director Student Loans	4/2010	32	2013	Staffing plan is being reviewed		355,934	355,934
10400	1.00	Senior Vice President/Banking Services	9/2010	27	2013	Staffing plan is being reviewed		355,934	355,934
10368	1.00	Customer Relationship Manager	2/2012	9	2013	Staffing plan is being reviewed		281,674	281,674
10328	1.00	Teller	8/2012	4	2/13	Recruiting for Administrative Assistant		96,045	96,045
	5.00						$0	$1,288,808	$1,288,808
473 - Housing Finance Agency									
23	1.00	Housing Program Administrator	8/19/11	17	7/1/13	Unfilled		$169,204	$169,204
49	1.00	Computer & Network Specialist III	12/16/12	1	2/11/13	Position hired		184,243	184,243
52	1.00	Housing Program Representative	10/15/12	3	2/1/13	Position hired		128,584	128,584
57	1.00	Housing Program Administrator II	N/A	N/A	7/1/13	Unfilled		169,203	169,203
58	1.00	Rental Housing Program Representative	N/A	N/A	7/1/14	Unfilled		67,055	67,055
59	1.00	Homeownership Specialist I	N/A	N/A	7/1/13	Unfilled		123,673	123,673
	6.00						$0	$841,962	$841,962
476 - Mill and Elevator Association									
		None							
	0.00						$0	$0	$0
485 - Workforce Safety and Insurance									
5259	1.00	Director of Human Resources	7/12	5	?	Evaluating		$221,094	$221,094
5312	0.50	Data Input Operator II	12/12	0	2/13	Interviewing		32,054	32,054
5306	1.00	Underwriter	12/12	0	2/13	Advertising		106,723	106,723
5255	1.00	Claims Adjuster	11/12	1	2/13	Temporary employee will fill vacancy in February		118,336	118,336
5116	1.00	Medical Case Manager	12/12	0	2/13	Interviewing		139,953	139,953
5274	1.00	Medical Case Manager	8/12	4	2/13	Interviewing		127,691	127,691
5214	1.00	Medical Case Manager	12/12	0	2/13	Interviewing		121,094	121,094
	6.50						$0	$866,945	$866,945
PUBLIC SAFETY									
504 - Highway Patrol									
5434	1.00	Cook I	12/12	1	2/13	Conducting background investigation	$79,742	$11,916	$91,658
5456	1.00	Highway Patrol Officer I	4/12	9	Filled	Filled 1/7/13	118,460	17,704	136,184
5466	1.00	Highway Patrol Officer I	4/12	9	Filled	Filled 1/7/13	130,079	19,437	149,516
5482	1.00	Highway Patrol Officer I	5/12	8	Filled	Filled 1/7/13	130,079	19,437	149,516
5548	1.00	Highway Patrol Officer I	8/12	4	Filled	Filled 1/7/13	140,841	21,045	161,886
5570	1.00	Highway Patrol Officer I	8/12	5	Filled	Filled 1/7/13	130,079	19,437	149,516
5574	1.00	Highway Patrol Officer I	10/12	3	Filled	Filled 1/7/13	171,440	25,617	197,057
5586	1.00	Highway Patrol Officer I	7/12	5	Filled	Filled 1/7/13	132,864	19,823	152,487
28744	1.00	Highway Patrol Officer I	10/12	2	Filled	Filled 1/7/13	132,664	19,823	152,487
5467	1.00	Commercial Motor Carrier Inspector	12/12	1	3/13	Sent to Hiring Council and HRMS to be reclassified	118,906	17,767	136,673
	10.00						$1,284,974	$192,006	$1,476,980
530 - Department of Corrections and Rehabilitation									
Juvenile Services									
5871	1.00	Director of Medical Services	05/12	8	3/1/13	Evaluating	$207,462		$207,482
6081	1.00	Administrative Assistant I	12/31/12	0	2/15/13	Seeking candidates	92,613		92,813
	2.00						$300,295	$0	$300,295
Adult Services									
6016	1.00	Psychiatric Resident Specialist	12/11	13	2/1/13	Will fill on 2/1/13	$254,848		$254,846
5363	1.00	Parole & Probation Officer II	11/12	2.5	2/1/13	Will fill on 2/1/13	140,642		140,642
5376	1.00	Case Manager	12/12	1.5	2/1/13	Will fill on 2/1/13	126,047		126,047
24400	1.00	Addiction Counselor II	12/12	1.5	1/22/13	Filled on 1/22/13	139,178		139,176
28811	1.00	Food Service Director I	12/12	1	1/7/13	Filled on 1/7/13	128,612		126,612
28610	1.00	Electronics Technician III	12/12	1	1/7/13	Filled on 1/7/13	128,612		126,612
5678	1.00	Registered Nurse II	11/12	1.5	1/2/13	Filled on 1/2/13	137,901		137,901

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26202	1.00	Case Manager	12/12	1	1/1/13	Filled on 1/1/13	102,227		102,227
28801	1.00	Correctional Officer III	12/12	1	1/1/13	Filled on 1/1/13	102,099		102,099
28807	1.00	Correctional Officer III	12/12	1	1/1/13	Filled on 1/1/13	110,706		110,706
28808	1.00	Correctional Officer III	12/12	1	1/1/13	Filled on 1/1/13	110,706		110,706
28803	1.00	Unit Manager	12/12	1	1/1/13	Filled on 1/1/13	138,343		138,343
5899	1.00	Correctional Officer III	12/12	1	1/1/13	Filled on 1/1/13	119,598		119,598
6002	1.00	Correctional Officer III	12/12	1	1/1/13	Filled on 1/1/13	117,727		117,727
5940	1.00	Correctional Officer II	12/12	0.5	1/1/13	Filled on 1/1/13	105,809		105,809
5818	1.00	Correctional Officer II	12/12	0.5	1/1/13	Filled on 1/1/13	105,809		105,809
5831	1.00	Correctional Officer III	12/12	0	1/1/13	Filled on 1/1/13	150,718		150,718
5347	1.00	Parole & Probation Officer III	12/12	1	1/1/13	Filled on 1/1/13	168,538		168,538
5872	1.00	Registered Nurse II	11/12	2	2/1/13	Position offered and declined - Moving to next candidate	141,183		141,183
5722	1.00	Correctional Officer II	12/12	1	2/1/13	Interviewing	114,532		114,532
28802	1.00	Correctional Supervisor II	12/12	1	2/1/13	Interviewing	138,343		138,343
28820	1.00	Direct Care Associate II	12/12	1	3/1/13	New FTE - Pending HRMS classification	88,655		88,655
28821	1.00	Direct Care Associate II	12/12	1	3/1/13	New FTE - Pending HRMS classification	88,655		88,655
28822	1.00	Direct Care Associate II	12/12	1	3/1/13	New FTE - Pending HRMS classification	88,655		88,655
28223	1.00	Direct Care Associate II	12/12	1	3/1/13	New FTE - Pending HRMS classification	88,655		88,655
28224	1.00	Direct Care Associate II	12/12	1	3/1/13	New FTE - Pending HRMS classification	88,655		88,655
28818	1.00	Training Officer I	12/12	1	3/1/13	New FTE - Pending HRMS classification	156,854		156,854
	27.00						$3,382,307	$0	$3,382,307
540 - Adjutant General, Including National Guard and Department of Emergency Services									
5630	1.00	Communications Specialist I	12/12	1	2/13	Screening applications	$91,511	$10,168	$101,679
6171	1.00	General Trades Maintenance Worker I	12/12	1	2/13	Interviewing	28,547	85,640	114,187
6173	1.00	Heating Plant Operator II	7/12	6	2/13	Advertising		110,531	110,531
6186	1.00	Landscape & Grounds Supervisor	7/12	6	3/13	Reclassification	39,183	117,549	156,732
6206	1.00	National Guard Security/Firefighter	5/11	20	3/13	Reclassification		120,619	120,619
6223	1.00	National Guard Security/Firefighter	10/10	27	3/13	Reclassification		120,619	120,619
6225	1.00	National Guard Security/Firefighter	6/10	31	7/13	In 2013-15 executive budget as a maintenance worker. It had been a federally funded security position for which federal funding was not available.	39,027	79,238	118,263
	7.00						$198,268	$644,362	$842,630
AGRICULTURE AND ECONOMIC DEVELOPMENT									
601 - Department of Commerce									
6272	1.00	Other - Not Classified - Professional	6/12	6	2/13	Advertising	$134,456		$134,456
6293	1.00	Other - Not Classified - Professional	9/12	3	1/13	Position filled	130,741	$24,903	155,644
23972	1.00	Other - Not Classified - Professional	12/12	1	2/13	Advertising	149,743		149,743
25553	1.00	Other - Not Classified - Professional	11/12	1.5	2/13	Advertising		125,475	125,475
	4.00						$414,940	$150,378	$565,318
602 - Agriculture Commissioner									
6306	1.00	Deputy - Not Classified	12/12	1	4/13	Evaluating	$255,942		$255,942
6311	1.00	Agriculture Program Specialist II	12/10	25	4/13	Funding used for part-time temporary employee	124,669		124,669
6343	1.00	Agriculture Mediation Service Negotiator	4/12	9	4/13	Reclassifying		$170,729	170,729
6344	1.00	Agriculture Mediation Service Negotiator	3/11	22	7/13	Reclassifying	110,200		110,200
6346	1.00	Agriculture Program Specialist I	12/10	25	5/13	Reclassifying		118,911	118,911
25918	1.00	Environment Scientist II	12/12	1	2/13	Interviewing		134,025	134,025
28315	1.00	Public Information Specialist I	12/12	1	2/13	Interviewing	115,658		115,658
6347	1.00	Public Information Specialist II	12/12	1	Filled 1/7/13	N/A	66,206	66,206	132,412
None	1.00	Position has not been classified	N/A	N/A	4/13	Title V expansion	36,987	55,480	92,467
None	1.00	Position has not been classified	N/A	N/A	7/13	This position was an unfunded meat inspector. Executive budget moves position to Livestock Development.		95,806	95,806
	10.00						$709,662	$641,157	$1,350,819
627 - Upper Great Plains Transportation Institute									
20183	1.00	Associate Research Fellow - TSSC	9/12	5		Will fill contingent on securing grant funds		$345,768	$345,768
21727	1.00	Associate Research Fellow - AG/RTSSC	6/12	7		Reduction in federal funds - Will fill contingent on securing grant funds		140,810	140,810
27317	1.00	Research Project Specialist - AG/RTSSC	8/11	16		Reduction in federal funds - Will fill contingent on securing grant funds		144,581	144,581
	3.00						$0	$631,159	$631,159
628 - Branch research stations									
21634	0.50	Research Specialist	6/12	6	6/13	Will be recruiting	$68,483		$68,483
24026	0.75	Research Associate Professor	9/12	3	6/13	Will be recruiting	60,117	$90,175	150,292
20127	1.00	Assistant Animal Scientist	8/12	4	6/13	Will be recruiting	158,383		158,383
19245	1.00	Associate R/E Ctr Specialist	4/12	8	1/13	Filled	182,961		182,961
20738	1.00	Assistant R/E Ctr Specialist	5/12	7	6/13	Will be recruiting	156,163		156,163
28557	1.00	Ag Research Technician	11/12	1		Funding ended - Position closed		85,616	85,616
19574	1.00	Associate R/E Ctr Specialist	7/12	5	5/13	Offer made	143,805	58,083	201,888
25275	1.00	Research Specialist	12/12	0		Funding ended - Position closed		128,350	128,350

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included In the 2013-15 Executive Budget: General Fund	Special Funds	Total
18744	0.85	Administrative Assistant	12/12	0	4/13	Recruiting	105,111		105,111
18796	1.00	Research Specialist	9/12	3	1/13	Filled	163,682		163,682
21097	1.00	Research Agronomist	6/11	18		Recruiting	222,150		222,150
26150	1.00	Research Specialist	7/12	5	1/13	Offer made	106,641		106,641
27555	1.00	Research Specialist	6/11	18	6/13	Will be recruiting		91,781	91,781
19691	0.80	Irrigation Specialist	1/12	11	5/13	Offer made	140,484		140,484
100027	1.00	Research Specialist		8	5/13	Offer made	123,004		123,004
	13.90						$1,630,984	$454,005	$2,084,989
630 - North Dakota State University Extension Service									
21488	0.80	Extension Agent/Benson County	12/12	0	2/13	Recruiting	$29,032	$78,894	$107,926
20926	1.00	Extension Agent/Nelson County	10/12	2	4/13	Recruiting	76,626	37,248	113,874
18635	1.00	Extension Agent/Slope County	10/12	2	2/13	Offer made	73,664	38,321	111,985
19420	1.00	Extension Agent/Towner County	10/11	14	5/13	Recruiting	86,838	44,298	131,138
24959	1.00	Extension Agent-in-Training/Walsh County	10/12	2	4/13	Recruiting	101,068		101,068
23157	1.00	Extension Agent, Ag/Fort Berthold	11/12	1		Several offers made and accepted - No housing		124,958	124,958
21207	1.00	Extension Agent/Sheridan County	9/12	3	1/13	Offer made		111,421	111,421
28569	1.00	Extension Agent-in-Training/Ag	11/12	1	5/13	Will be recruiting	102,457		102,457
28438	1.00	Extension Agent/Parent Resource Coordinator/Williams County		15		Recruited - No applicants	49,034	56,642	105,676
25996	1.00	Energy Educator	8/12	4		Funding ended - Position closed		157,718	157,718
20476	0.90	Professor/Plant Pathologist	10/12	2	5/13	Recruiting		270,313	270,313
27565	1.00	Laboratory Receptionist/Technician	9/12	3		Funding ended - Position closed		96,990	96,990
20904	0.30	Grant Coordinator	12/12	0	2/13	Recruiting	39,389		39,389
18448	0.66	Administrative Secretary	12/12	0	2/13	Recruiting	16,304	65,217	81,521
19004	1.00	Extension Agent, EFNEP	11/12	1		Funding ended - Position closed		115,613	115,613
21759	1.00	Extension Agent/Cass County	11/12	1		Funding ended - Position closed		123,088	123,088
24316	1.00	Extension Agent/Cass County	6/12	6		Funding ended - Position closed		115,764	115,764
19997	0.80	Extension Agent/McKenzie-Williams Counties	6/12	6		Funding ended - Position closed		101,625	101,625
19213	1.00	Nutrition Education Assistant, EFNEP	12/12	0	4/13	Recruiting		102,530	102,530
19512	0.80	Nutrition Education Assistant/Morton County	10/12	2		Funding ended - Position closed		87,567	87,567
24025	0.25	Sustainable Agriculture Specialist	9/12	3	6/13	Will be recruiting		55,123	55,123
20082	1.00	Area Specialist/Crop Protection	5/12	7	2/13	Offer made	154,233	21,032	175,265
20471	1.00	Area Specialist/Cropping Systems	12/11	12	1/13	Offer made	82,276	100,559	182,835
18745	0.15	Administrative Assistant	12/12	0	4/13	Recruiting	14,447		14,447
	20.66						$825,368	$1,904,921	$2,730,289
638 - Northern Crops Institute									
21434	1.00	Technical Director	10/11	14	3/13	Offer made	$202,029		$202,029
	1.00						$202,029	$0	$202,029
640 - Main Research Center									
19480	0.80	Director	8/11	16		Funding is currently being used for special appointments	$410,781		$410,781
20045	0.33	Professor/Assistant Director Ext/Aes	4/11	20		Funding is currently being used for temporary position	76,434		76,434
20997	1.00	Assistant to Dean & Director	12/12	0	2/13	Recruiting	128,679		128,679
20229	1.00	Professor/Community Resource Economist	1/12	11		Funding is currently being used for temporary position	348,956		348,958
24098	0.30	Assistant Professor	7/12	5	8/13	Offer	67,258		67,258
28023	1.00	Lecturer/Research Assistant	11/12	1		Funding ended - Position closed		$151,270	151,270
27624	1.00	Postdoctoral Research Fellow	5/12	7		Funding ended		118,949	118,949
20244	0.75	Nutritional Research Specialist	8/12	4	6/13	Will be recruiting	68,794		68,794
21042	1.00	Research Specialist	7/12	5	2/13	Recruiting	78,202		78,202
24739	1.00	Postdoctoral Research Fellow	9/12	3		Funding ended		109,238	109,236
26830	0.30	Co-Associate Head	5/12	7	8/13	Offer	96,354		96,354
18923	0.76	Professor	7/12	5		Funding is currently being used for temporary position	207,724	6,424	214,148
20296	1.00	Food Technologist	2/12	10	3/13	Recruiting	66,484	68,979	135,463
26883	1.00	Postdoctoral Research Fellow	9/11	15		Funding ended - Position closed		108,489	108,489
18597	1.00	Microbiologist	6/12	6	3/13	Recruiting		109,425	109,425
19631	0.88	Administrative Assistant	11/12	1	2/13	Offer	126,333		126,333
26765	1.00	Assistant Molecular Biologist	7/12	5	4/13	Will be recruiting		122,126	122,126
26813	1.00	Postdoctoral Research Fellow	9/12	3		Funding ended		115,506	115,506
27479	1.00	Postdoctoral Research Fellow	7/12	5		Funding ended		106,992	106,992
27749	1.00	Postdoctoral Research Fellow	11/12	1	5/13	Recruiting		120,647	120,847
27797	1.00	Research Specialist	1/12	11		Funding ended		105,985	105,985
28518	1.00	Postdoctoral Research Fellow	4/12	8	3/13	Recruiting		108,073	108,073
28561	1.00	Microbiologist - Temporary	3/12	9		Funding ended - Position closed		93,054	93,054
18449	0.34	Administrative Secretary	12/12	0	2/13	Recruiting	37,731		37,731
18693	1.00	Food Technologist	12/12	0	2/13	Recruiting		93,467	93,467
19268	1.00	Research Specialist	6/12	6	2/13	Recruiting	125,536	6,607	132,143
20798	0.50	Food Technologist	9/12	3		Funding ended - Position closed		73,118	73,118
20903	0.70	Grant Coordinator	12/12	0	2/13	Recruiting	97,022		97,022

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included In the 2013-15 Executive Budget: General Fund	Special Funds	Total
23321	1.00	Postdoctoral Research Fellow	12/12	0		Funding ended		117,738	117,738
27372	1.00	Research Specialist	7/12	5	3/13	Recruiting		101,737	101,737
27941	1.00	Research Assistant Professor	11/12	1		Funding ended - Position closed		197,350	197,350
18611	0.60	Assistant Professor	8/12	4	5/13	Recruiting	62,057	62,057	124,114
18732	0.78	Professor	11/12	1	8/13	Will be recruiting	88,437	132,656	221,093
18906	0.91	Professor	10/12	2	5/13	Recruiting	224,804	11,832	236,636
19517	0.65	Professor of Practice	11/12	1	8/13	Will be recruiting	160,853		160,853
20977	0.95	Professor	2/12	10	8/13	Will be recruiting	230,353		230,353
18609	1.00	Assistant Professor	6/12	6	2/13	Offer	164,718	36,895	201,613
	31.55						$2,867,510	$2,278,812	$5,146,322
849 - Agronomy Seed Farm									
		None							
	0.00						$0	$0	$0
670 - Racing Commission									
		None							
	0.00						$0	$0	$0
NATURAL RESOURCES AND HIGHWAYS									
701 - State Historical Society									
		None							
	0.00						$0	$0	$0
709 - Council on the Arts									
		None							
	0.00						$0	$0	$0
720 - Game and Fish Department									
6532	1.00	Deputy - Not Classified	6/12	6	1/13	Filled		$268,493	$268,493
6630	1.00	Public Information Specialist III	11/12	1	2/13	Advertised - Closing 1/13		183,425	183,425
6556	1.00	District Game Warden	11/12	1	2/13	Warden test to be given 1/13		182,874	182,874
	3.00						$0	$634,792	$634,792
750 - Parks and Recreation Department									
		None							
	0.00						$0	$0	$0
770 - State Water Commission									
6731	1.00	Water Resource Engineer II	7/12	7	2/13	Reviewing applications	$150,686		$150,686
6736	1.00	Engineer Technician II	7/12	7	3/13	Advertising	111,679		111,679
6778	1.00	Planner II	11/11	13	5/13	Reclassification/open	156,335		156,335
8801	1.00	Hydrologist II	12/12	1	3/13	Advertising	152,126		152,126
	4.00						$570,826	$0	$570,826
801 - Department of Transportation									
6813	1.00	Department Director	11/12	1	5/13	Will be appointed by Governor		$346,926	$346,926
7733	1.00	Engineering Technician II	10/12	3	2/13	Offer accepted - New employee to start 2/4/13		107,865	107,865
6823	1.00	Attorney I (Hearing Officer)	1/12	11.5	3/13	Interviewing (has been advertised three times)		164,338	164,338
6900	1.00	Drivers License Examiner I, Williston	11/12	2	2/13	Interviewing		127,030	127,030
6887	1.00	Drivers License Examiner I, Minot	11/12	1.5	Filled	New employee started 1/7/13		102,502	102,502
7764	1.00	Drivers License Examiner I, Williston	11/12	1.5	2/13	Interviewing		122,048	122,048
6938	1.00	Licensing Specialist I	12/12	1	2/13	Interviewing		105,624	105,624
6936	1.00	Licensing Specialist II	12/12	0.5	2/13	Interviewing		110,675	110,675
7737	1.00	Planner IV	2/12	10	3/13	Screening applicants		164,338	164,338
7804	1.00	Program Manager, Right of Way	9/12	3.5	3/13	Screening applicants		159,530	159,530
7652	1.00	Training Officer II	7/12	5	3/13	Drafting job announcement		164,338	164,338
7490	1.00	Customer Tech Support Specialist I	12/12	1	2/13	Offer accepted - New employee to start 2/1/13		114,824	114,824
7560	1.00	Transportation Management Officer II	12/12	1	3/13	Posted		197,244	197,244
7705	1.00	Engineering Tech II, Devils Lake	6/12	12	5/13	On hold for grant student (advertised three times)		164,338	164,338
7704	1.00	Engineering Tech II, Devils Lake	4/12	8	2/13	Injured employee must be cleared by doctor to accept (advertised twice)		164,338	164,338
7710	1.00	Engineering Tech III, Valley City	10/12	2.5	5/13	On hold for grant student		131,168	131,168
7167	1.00	Transportation Tech II, Valley City	11/12	1.5	5/13	Evaluating best location before posting		138,480	138,480
7140	1.00	Transportation Tech I, Center	12/12	0.5	2/13	Interviewing		143,662	143,662
7725	1.00	Transportation Engineer III, Dickinson	11/12	2	4/13	Reclassified - Will be posted soon		171,730	171,730
7726	1.00	Engineering Tech III, Minot	5/12	7	5/13	Posted - Open until filled		179,066	179,066
7665	1.00	Regional Planner, Williston	6/12	6.5	2/13	Offer pending		164,338	164,338
7772	1.00	Transportation Engineer III, Williston	7/12	6	3/13	Modified job duties - Will be reposted		164,338	164,338
6989	1.00	Highway Materials Coordinator, Williston	12/12	1	3/13	Reclassified - Will be posted soon		106,958	106,958

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2013	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2013-15 Executive Budget: General Fund	Special Funds	Total
7397	1.00	Transportation Tech I, Williston	8/12	4.5	3/13	Offer pending		164,338	164,338
7382	1.00	Transportation Tech I, Tioga	11/12	1.5	3/13	Posted		104,574	104,574
7381	1.00	Transportation Tech II, Williston N	11/12	1.5	3/13	Posted		133,672	133,672
7388	1.00	Transportation Tech I, Williston N	11/12	1.5	3/13	Posted		133,672	133,672
7543	1.00	Fleet & Equipment Tech I, Williston	10/12	3	3/13	Posted		116,834	116,834
7545	1.00	Fleet & Equipment Tech III, Williston	11/12	1.5	2/13	Offer pending		164,338	164,338
7715	1.00	Transportation Engineer I	4/12	8	Filled	New employee started 1/7/13		164,338	164,338
	30.00						$0	$4,497,464	$4,497,464
	423.22	Total all agencies					$29,293,589	$33,157,000	$62,450,589

NOTE: This report does not include North Dakota University System campuses since the University System receives a "block grant" general fund appropriation.

HB 1012
1/31/2013 AM
Attachment #2

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2013-2015 Executive Budget

	Budget	% of Budget
Traditional Medical Services		
Selected Services		
Inpatient Hospital	184,035,186	28.65%
Outpatient Hospital*	74,526,934	11.60%
Physician Services	121,591,536	18.93%
Drugs (net of rebates)	44,866,905	6.98%
Healthy Steps (CHIP)	33,344,070	5.19%
Dental	29,011,103	4.52%
Premiums	26,136,120	4.07%
Psychiatric Residential Treatment Facilities	20,035,748	3.12%
Durable Medical Equipment	8,497,208	1.32%
Federally Qualified Health Centers	7,921,657	1.23%
Ambulance	7,943,992	1.24%
Indian Health Services (100% Federal Funds)	30,329,520	4.72%
Total of Selected Services	**588,239,979**	**91.57%**
Remaining Services	**54,161,043**	**8.43%**
Total 2013-2015 Executive Budget	**642,401,022**	**100.00%**

* Outpatient Hospital services total includes $1.26 million for supplemental payments to Critical Access Hospitals

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Inpatient Hospital

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	1,522	$ 4,910.33	7,127	$ 1,048.62	$ 7,473,517
September-11	1,047	5,134.73	4,523	1,188.60	5,376,060
October-11	886	5,025.35	3,802	1,171.08	4,452,460
November-11	962	6,503.36	3,754	1,666.55	6,256,228
December-11	825	5,483.24	3,454	1,309.69	4,523,676
January-12	896	6,885.24	4,459	1,383.53	6,169,175
February-12	1,474	4,988.17	6,281	1,170.60	7,352,559
March-12	1,036	5,109.95	4,605	1,149.60	5,293,913
April-12	1,323	6,256.41	6,793	1,218.49	8,277,225
May-12	1,481	5,753.72	7,014	1,214.89	8,521,264
June-12	1,009	8,141.58	4,492	1,828.77	8,214,855
July-12	960	13,315.89	4,620	2,766.94	12,783,253
August-12	1,356	7,746.78	6,312	1,664.23	10,504,628
September-12	1,113	6,099.37	5,117	1,326.68	6,788,602
October-12	1,377	6,959.28	5,974	1,604.11	9,582,928
November-12	1,070	5,014.16	4,727	1,135.00	5,365,153
Monthly Averages	1,146	$6,377.02	5,191	$ 1,407.95	$ 7,308,469

Avg Aug 11-June 12	5,142	$1,283.12
Increased units for unbilled claims	216	
Increase units for the woodwork effect	106	
3% Inflation (7-1-12)		$40.75
4/4 Inflation for 13-15		$79.50
Monthly Averages Executive Budget 13-15	**5,464**	**$1,403.37**

Inpatient Hospital contains a variety of reimbursement methodologies and rates: DRG-PPS; Critical Access; Out of state, etc. We also tend to see a higher number of low cost services and lower number of high cost services, therefore the cost of inflation is calculated at a detail level to more accurately reflect the inflationary changes.

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Outpatient Hospital

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	8,532	$ 326.34	194,148	$ 14.34	$ 2,784,357
September-11	7,427	348.77	156,855	16.51	2,590,313
October-11	6,556	364.65	149,798	15.96	2,390,622
November-11	7,884	352.93	145,905	19.07	2,782,530
December-11	6,514	378.87	119,849	20.59	2,467,989
January-12	5,442	366.87	85,776	23.28	1,996,500
February-12	8,908	405.62	206,841	17.47	3,613,260
March-12	6,937	387.16	160,092	16.78	2,685,735
April-12	7,219	394.88	161,618	17.64	2,850,656
May-12	11,105	400.12	229,203	19.39	4,443,340
June-12	8,401	440.55	146,135	25.33	3,701,051
July-12	7,675	369.31	148,577	19.08	2,834,421
August-12	9,055	420.41	167,780	22.69	3,806,783
September-12	8,760	354.58	163,331	19.02	3,106,111
October-12	9,294	349.09	191,149	16.97	3,244,478
November-12	6,718	337.14	137,057	16.53	2,264,903
Monthly Averages	7,902	376.21	160,257	18.55	2,972,691

Avg Aug 11-April 12	155,731	$17.42
Increase units for the woodwork effect	3,263	
3% Inflation (7-1-12)		$0.62
4/4 Inflation for 13-15		$1.16
Monthly Averages Executive Budget 13-15	**158,994**	**$19.20**

Outpatient Hospital contains a variety of reimbursement methodologies and rates: Cost to Charge; Critical Access; Out of state, etc. We also tend to see a higher number of low cost services and lower number of high cost services, therefore the cost of inflation is calculated at a detail level to more accurately reflect the inflationary changes.

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Physician

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	20,966	$ 210.88	256,926	$ 17.21	$ 4,421,331
September-11	17,784	179.34	185,355	17.21	3,189,419
October-11	18,024	191.27	184,686	18.67	3,447,462
November-11	23,243	190.97	222,397	19.96	4,438,607
December-11	26,019	211.32	240,086	22.90	5,498,256
January-12	20,525	186.79	178,714	21.45	3,833,951
February-12	25,131	232.08	240,415	24.26	5,832,372
March-12	19,274	200.72	198,425	19.50	3,868,622
April-12	18,517	200.11	168,498	21.99	3,705,474
May-12	28,023	228.79	261,566	24.51	6,411,405
June-12	26,318	201.20	263,752	20.08	5,295,239
July-12	21,319	319.93	197,952	34.46	6,820,559
August-12	18,550	239.01	212,042	20.91	4,433,586
September-12	22,766	211.97	232,272	20.78	4,825,622
October-12	26,819	200.30	256,815	20.92	5,371,834
November-12	24,547	189.98	235,431	19.81	4,663,334
Monthly Averages	22,364	212.55	220,958	21.51	4,753,567

Avg Aug 11-June 12	218,684	$20.88
Increased units for unbilled claims	5,949	
Increase units for the woodwork effect	4,431	
0% Inflation (7-1-12)		$0.00
4/4 Inflation for 13-15		$1.24
Monthly Averages Executive Budget 13-15	**229,064**	**$22.12**

Physician contains a variety of reimbursement methodologies and rates: In-state; Out of state; Nurse Practitioners; Primary Care Case Management, etc. We also tend to see a higher number of low cost services and lower number of high cost services, therefore the cost of inflation is calculated at a detail level, as using the combined average above would overstate the inflationary increase.

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Drugs (Net of Rebates)

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	19,494	$ 118.40	68,083	$ 16.12	$2,308,000
September-11	18,379	110.02	56,072	21.91	2,022,092
October-11	19,115	(56.79)	58,010	(86.56)	(1,085,527)
November-11	20,941	115.17	70,240	17.67	2,411,743
December-11	18,916	94.42	57,626	11.33	1,785,966
January-12	18,266	(3.10)	53,732	(54.83)	(56,691)
February-12	21,577	163.91	73,604	44.68	3,536,620
March-12	19,044	(69.21)	57,395	(99.51)	(1,317,974)
April-12	19,402	149.11	58,621	46.00	2,893,116
May-12	20,786	159.01	72,737	40.03	3,305,198
June-12	17,068	(39.94)	51,423	(74.42)	(681,717)
July-12	16,955	43.73	52,042	(19.88)	741,404
August-12	19,472	146.23	66,881	36.81	2,847,408
September-12	18,894	115.63	58,868	27.52	2,184,773
October-12	19,976	(18.82)	66,997	(58.93)	(375,915)
November-12	17,784	127.92	53,029	36.47	2,274,907
Monthly Averages	19,129	$74.47	60,960	$23.37	$1,424,588

	# of Prescriptions	
Used 9 month average eligibles thru May 2012 (66,497); 30% of eligible's receive prescription drugs, and on average, recipients filling a prescription have 2.85 prescriptions per month.	56,066	
Increased units for the woodwork effect	1,307	
		$33.90

Used a 83% generic and 17% brand name ratio which was adjusted to 85% generic and 15% brand name over the biennium.

Generic drug utilization is increasing while the cost is decreasing.

The 13-15 biennium estimated prescription cost started at $25.45 and was decreased to $22.

Brand name utilization is decreasing however cost is increasing.

The 13- 15 biennium estimated prescription cost started at $250 and was increased to $273.

Drug rebate percentages of 61.23% for Brand and 23.39% for Generic were used.

The net result of the factors above led to a decrease in the estimated per unit cost of drugs over the 13-15 biennium.		-$1.32
Monthly Averages Executive Budget 13-15	**57,373**	**$32.58**

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Healthy Steps (CHIP)

Month	Actual Number of Premiums	Actual Cost Per Unit	Actual Expenditures
August-11	3,783	$ 272.59	$ 1,031,221
September-11	3,809	272.76	1,038,952
October-11	3,877	274.51	1,064,279
November-11	3,867	273.85	1,058,977
December-11	3,821	275.77	1,053,732
January-12	3,873	275.67	1,067,669
February-12	3,858	273.50	1,055,165
March-12	3,861	262.53	1,013,628
April-12	3,883	272.65	1,058,690
May-12	3,979	272.66	1,084,914
June-12	3,872	273.16	1,057,680
July-12	3,975	272.64	1,083,742
August-12	3,944	272.78	1,075,832
September-12	3,996	272.66	1,089,536
October-12	3,999	272.59	1,090,076
November-12	3,956	272.67	1,078,668
Monthly Averages	3,897	272.69	1,062,673

Started with May 2012	3,979		
		311.79	**Note 1**
June 2012 - July 2013, Growth of 18 per month	252		
13-15 Biennium, Growth of 18 per month	225		
Monthly Averages Executive Budget 13-15	**4,456**	**$311.79**	

Note 1 - $311.79 is an estimated rate. The CHIP coverage contract is currently being rprocured. The new contract will be effective July 1, 2013. The premiums paid must be within the ranges established by the Department's actuary; however, the rates are estimated until the procurement process is complete.

Ag 6

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Dental Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	4,965	$ 271.23	20,337	$ 66.22	$ 1,346,641
September-11	4,002	247.87	15,370	64.54	991,960
October-11	3,865	255.22	14,839	66.47	986,414
November-11	4,490	250.71	18,154	62.01	1,125,676
December-11	3,616	253.53	13,873	66.08	916,757
January-12	3,020	262.47	11,771	67.34	792,648
February-12	4,810	268.88	19,186	67.41	1,293,306
March-12	3,796	265.10	14,634	68.76	1,006,301
April-12	3,435	255.82	13,049	67.34	878,733
May-12	4,830	268.93	18,947	68.56	1,298,952
June-12	3,254	272.19	12,164	72.81	885,714
July-12	3,287	285.13	12,417	75.48	937,229
August-12	4,725	291.18	19,442	70.77	1,375,835
September-12	3,965	281.72	15,195	73.51	1,117,023
October-12	4,693	285.25	18,600	71.97	1,338,694
November-12	3,419	291.61	13,358	74.64	997,021
Monthly Averages	4,011	269.42	15,709	68.79	1,080,557

Avg Aug 11-April 12	15,600	$68.13
Increased Recipients for Mobile Dental & Access Project	319	
Increase units for the woodwork effect	331	
3% Inflation (7-1-12)		$1.99
4/4 Inflation for 13-15		$4.27
Monthly Averages Executive Budget 13-15	**16,250**	**$74.39**

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Premiums

Month	Actual Number of Recipients	Actual Cost Per Recipient	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	-		9,072	$ 117.58	$ 1,066,702
September-11	-		9,009	116.20	1,046,866
October-11	-		9,031	117.70	1,062,926
November-11	-		9,003	117.15	1,054,744
December-11	-		8,986	102.93	924,921
January-12	-		8,770	101.04	886,081
February-12	-		9,167	102.70	941,481
March-12	-		9,011	101.53	914,860
April-12	-		8,932	101.17	903,655
May-12	-		9,041	101.86	920,952
June-12	-		9,013	102.56	924,408
July-12	-		9,012	101.40	913,803
August-12	-		9,126	102.43	934,746
September-12	-		8,989	102.81	924,133
October-12	-		8,915	102.43	913,175
November-12	-		8,927	101.09	902,386
Monthly Averages			9,000	105.80	952,240

Avg Premiums Paid August 11- April 12	8,999	
AIDS and Group health premiums rates were based average cost from Aug 11 to April 12; all other premiums used the CY2013 Federal rate of $104.90.		$106.88
Recipient increase for remaining 15 months of 11-13 2 per month for SSA and SLMB	60	
Recipient growth for 11-13 2 per month for SSA and SLMB	50	
Inflation for CY 2014 and 7 months of CY15		$12.67
Monthly Averages Executive Budget 13-15	**9,109**	**$119.55**

Premiums paid for QMBs, SLMBs, QI1 and SSA are set by the Federal Government. Premiums for AIDS is 100% General Fund and the Group Health Insurance is a cost-effective program under Medicaid. Premiums do not receive the standard inflationary adjustment.

Pg 8

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Psychiatric Residential Treatment Facilities (PRTF)

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	66	$ 11,678.35	2,152	$ 358.16	$ 770,771
September-11	61	10,277.74	1,665	376.54	626,942
October-11	70	10,257.61	2,095	342.74	718,033
November-11	56	10,494.68	1,639	358.57	587,702
December-11	76	10,929.41	2,383	348.57	830,635
January-12	49	12,114.86	1,484	400.02	593,628
February-12	85	13,963.18	3,379	351.25	1,186,870
March-12	80	11,618.49	2,564	362.51	929,479
April-12	44	12,738.91	1,445	387.90	560,512
May-12	70	12,696.89	2,107	421.82	888,782
June-12	61	10,628.82	1,593	407.00	648,358
July-12	60	12,355.08	1,779	416.70	741,305
August-12	79	14,855.13	3,287	357.03	1,173,555
September-12	93	13,152.20	3,089	395.97	1,223,155
October-12	62	10,072.21	1,606	388.84	624,477
November-12	76	10,579.87	2,310	348.08	804,070
Monthly Averages	68	11,864.22	2,161	373.32	806,767

Avg Aug 11-April 12	2,090	$361.83
Rate cost increase in CY 2013 of 5%		$18.10
Increase Personal Needs Allowance from $50 to $65		0.49
Cost increases of 5/5 for CY 2014 & 2015		$19.09
Monthly Averages Executive Budget 13-15	**2,090**	**$399.51**

PRTFs do not receive inflationary increases. Used a 5% cost increase to approximate the historical weighted cost increases of In-state and Out of state PRTFs.

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Durable Medical Equipment

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	2,446	$ 186.90	227,342	$ 2.01	$ 457,158
September-11	2,299	163.62	199,442	1.89	376,152
October-11	2,204	165.38	188,632	1.93	364,507
November-11	2,222	132.54	188,592	1.56	294,508
December-11	2,178	147.28	183,522	1.75	320,782
January-12	1,746	188.02	164,213	2.00	328,278
February-12	2,050	175.44	197,645	1.82	359,653
March-12	1,620	133.62	144,117	1.50	216,466
April-12	1,447	141.11	153,058	1.33	204,189
May-12	1,853	149.55	191,247	1.45	277,111
June-12	1,490	123.10	146,917	1.25	183,425
July-12	1,804	138.19	156,974	1.59	249,291
August-12	2,944	228.74	291,655	2.31	673,414
September-12	2,083	164.52	194,826	1.76	342,700
October-12	2,092	165.66	202,726	1.71	346,563
November-12	2,006	159.12	180,313	1.77	319,187
Monthly Averages	2,030	163.57	188,201	1.76	332,087

Avg Aug 11-Apri 12	182,867	$1.77
3% Inflation (7-1-12)		$0.05
4/4 Inflation for 13-15		$0.11
Monthly Averages Executive Budget 13-15	**182,867**	**$1.94**

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Federally Qualified Health Centers

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	1,655	$ 151.94	2,212	$ 113.68	$ 251,462
September-11	1,192	148.83	1,590	111.57	177,404
October-11	1,374	149.89	1,706	120.72	205,950
November-11	1,682	171.84	2,407	120.08	289,031
December-11	1,170	143.97	1,515	111.19	168,449
January-12	1,525	164.09	2,255	110.97	250,230
February-12	1,721	167.70	2,509	115.03	288,612
March-12	1,411	170.15	1,859	129.14	240,075
April-12	1,488	167.35	2,012	123.77	249,018
May-12	1,642	165.83	2,229	122.16	272,285
June-12	1,315	184.71	1,787	135.92	242,890
July-12	1,206	166.84	1,484	135.59	201,214
August-12	1,797	168.28	2,614	115.69	302,406
September-12	1,471	168.95	1,927	128.97	248,520
October-12	1,776	197.58	2,518	139.36	350,900
November-12	1,402	221.82	1,901	163.60	310,995
Monthly Averages	1,489	169.95	2,033	124.50	253,090

Avg Aug 11-April 12	2,011	$117.37
1.6% Medicare Economic Index (MEI) (11-13)		$1.88
Adjusted the rate for SPA effective in 11-13		$42.15
1.6/1.6 MEI for 13-15		$2.77
Monthly Averages Executive Budget 13-15	**2,011**	**$164.16**

North Dakota Dept of Human Services
Traditional Medical Services
Detail of Selected Services
2011-2013 Actual

Ambulance

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	735	$ 596.60	28,198	$ 15.55	$ 438,498
September-11	557	487.92	20,943	12.98	271,770
October-11	520	481.88	19,400	12.92	250,576
November-11	548	552.58	20,697	14.63	302,815
December-11	578	459.22	20,688	12.83	265,427
January-12	485	455.89	14,545	15.20	221,105
February-12	700	567.65	26,178	15.18	397,353
March-12	558	642.29	17,700	20.25	358,397
April-12	468	497.26	17,427	13.35	232,719
May-12	442	671.08	18,884	15.71	296,616
June-12	382	595.66	12,809	17.76	227,542
July-12	414	625.46	15,104	17.14	258,941
August-12	620	729.73	26,030	17.38	452,430
September-12	668	583.79	24,154	16.15	389,969
October-12	634	487.32	22,783	13.56	308,962
November-12	643	573.53	25,523	14.45	368,781
Monthly Averages	560	563.22	20,691	15.23	315,119

Avg Aug 11-Apri 12	20,579	$14.74
3% Inflation (7-1-12)		$0.44
4/4 Inflation for 13-15		$0.90
Monthly Averages Executive Budget 13-15	**20,579**	**$16.08**

HB 1012
1/31/2013 AM
Attachment # 3

Department of Human Services
Medical Services Division
Upper Payment Limit (UPL) Summary
January 29, 2013

	2010		2011		2012		2013	
	# of Facilities	UPL Over/(Under)	# of Facilities	UPL Over/(Under)	# of Facilities	UPL Over/(Under)	# of Facilities	UPL Over/(Under)
Nursing Facility								
Non-State Governmental	3	(226,772)	2 [1]	(728)	2	(108,535)	2	(154,087)
State Governmental	1	(109,394)	1	(240,631)	1	(589,043)	1	(650,189)
Private	75	(701,872)	76	(8,199,131)	79 [2]	(10,673,152)	79	(8,237,775)
Intermediate Care Facilities								
State Governmental	1	(169,315)	1	(859,199)	1	(333,023)	Not Completed Yet	
Private	54 [3]	(743,320)	63 [3]	(401,418)	65 [3]	(14,443)		
Inpatient Hospital [4]								
Prospective Payment	6 [3]	(606,095)	6 [3]	(5,204,075)	6 [3]	(6,702,785)	Not Completed Yet	
Critical Access	36	(886,365)	36	(99,393)	36	558,064		
Outpatient Hospital			44	(3,774,216)	44	(2,118,074)	Not Completed Yet	
Psychiatric Residential Treatment Facilities								
State Governmental	Not Available		1	(162,133)	1	(729,895)	Not Completed Yet	
Private			5	(724,777)	5	(4,166,560)		

The UPL change from year to year cannot be used to forecast any type of trend for future years.

The methodology used for each UPL calculation must be approved by CMS. The 2010 Nursing Facility UPL calculation using the original methodology approved by CMS showed that ND Mediciad had exceeded the UPL. It took many months and the services of a consultant to develop an approved methodology for the UPL calculation which showed that the nursing facility rates were in compliance with the UPL. We are still using the methodology approved in 2010 for the UPL calculation.

[1] The rates for these facilities had to be reduced in order to comply with the UPL.
[2] The UPL has been reduced by the supplemental flood payment made to Trinity Nursing Home.
[3] The UPL has been reduced by any supplemental payments for these provider groups.
[4] The UPL is combined for PPS hospitals and critical access hospitals (CAH).

HB 1012
1/31/2013AM
Attachment #4

North Dakota Department of Human Services
Rebasing changes of the 2009 Legislative Session
Prepared January 2013

	Executive Recommendation 09-11 Biennium	House Changes	Senate Changes	Final
	Rebased Services *	Decrease to Rebased Services ~	Increase Rebased Services #	09-11 Biennium
Hospitals	22,013,114			22,013,114
Physician Services	13,250,000	(2,650,000)	29,150,000	39,750,000
Dental Services	2,445,138	(752,778)	752,778	2,445,138
Ambulance Services	2,011,114	(502,778)	502,778	2,011,114
Chiropractic Services	416,000	(104,000)		312,000
Totals	40,135,366	(4,009,556)	30,405,556	66,531,366

* Hospitals: PPS inpatient, Outpatient, Inpatient rehab., Inpatient psychiatric and Chiropractic services @100% of cost, Physician services @ 25% of the Rebasing Report, Ambulance services @ Medicare rates, Dental services at minimum of 75% of average billed charges.

~ Hospitals @ 100% of cost, Physicians @ 20% of the Rebasing Report, Ambulance 75% of Funding in Executive Budget, Chiropractor @ 75% of cost, and Dental services at a minimum of 70% of average billed charges.

\# Physicians @75% of the Rebasing Report, Ambulance @ Medicare Rates, and Dental services at minimum of 75% of average billed charges.

HB 1012
1/31/2013 AM
Attachment #.

North Dakota Medicaid Analysis

RHC Rates - as of July 1, 2012

8/2/2012

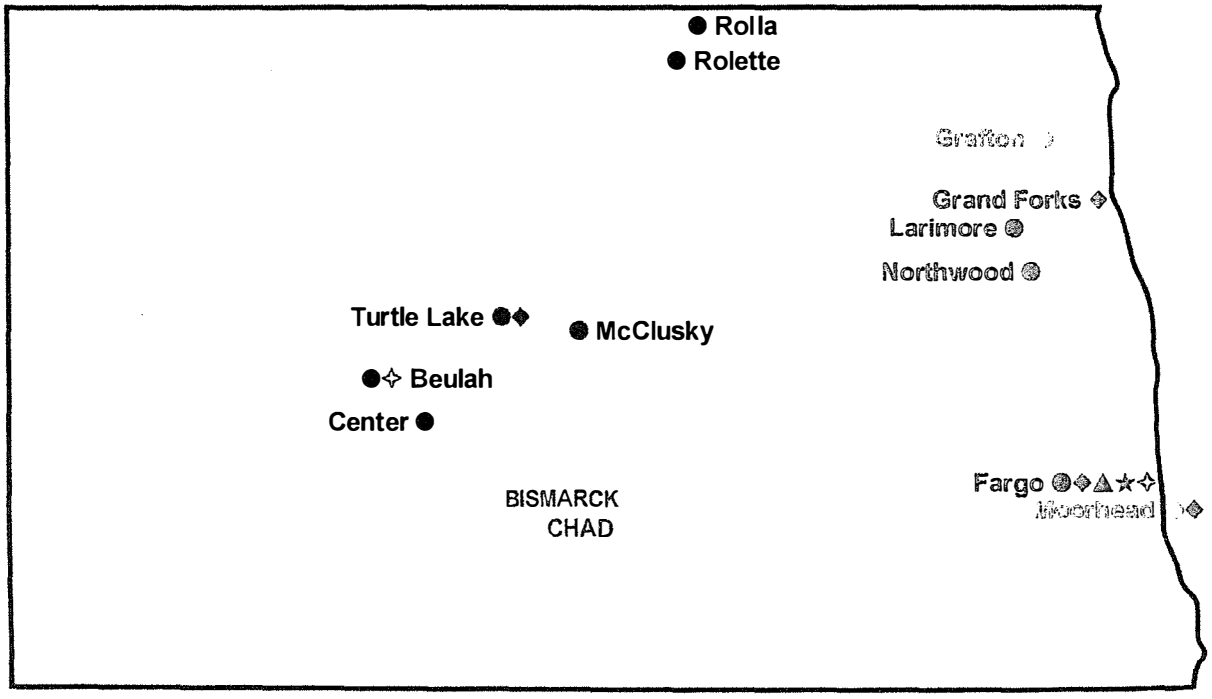
Prov #	Provider	FY 2012 Medicaid Rate	FY 2009 Medicare Rate	FY 2012 Medicare Rate	FY 2009 Medicaid Visits	CY 2011 Medicaid Visits	Impact to Rebase 2012 Medicaid Rate To 2009 Medicare Using 2009 Visits	Impact to Rebase 2012 Medicaid Rate To 2012 Medicare Using 2011 Visits	Impact to Rebase 2012 Medicaid Rate To 2012 Medicare Using 2009 Visits
5000	Cooperstown Medical Center Rural Health Clinic	95.39	134.95	108.33	286	91	11,314	1,178	3,701
5003	Grafton Family Rural Health Clinic	82.06	122.07	126.44	1,387	1,420	55,494	63,020	61,555
5005	Nelson County Health System Rural Health Clinic	134.43	150.71	131.87	145	364	2,361	(932)	(371)
5011	Killdeer Med RH Clinic	83.54	111.09	145.54	86	88	2,369	5,456	5,332
5013	West River Health Clinics - New England	86.33	163.98	162.31	102	49	7,920	3,723	7,750
5014	West River Health Clinics - Mott	116.41	163.98	162.31	147	129	6,993	5,921	6,747
5015	West River Health Clinics - Bowman	95.32	163.98	162.31	198	243	13,595	16,279	13,264
5016	West River Health Clinics - Scranton	105.27	163.98	162.31	41	24	2,407	1,369	2,339
5021	Tioga Medical Rural Health Clinic	66.38	151.89	179.06	237	198	20,266	22,311	26,705
5023	Tioga Medical - Powers Lake Rural Health Clinic	102.49	151.89	179.06	6	18	296	1,378	459
5024	Tioga Medical - Ray Rural Health Clinic	49.30	151.89	179.06	2	12	205	1,557	260
5026	West River Health Clinics - Lemmon	77.50	163.98	162.31	12	17	1,038	1,442	1,018
5028	Napoleon Clinic	92.02	82.12	100.50	331	270	(3,277)	2,290	2,807
5030	Beach Rural Health Clinic	71.62	80.11	120.89	469	348	3,982	17,146	23,108
5041	Foster County Rural Health Clinic	80.66	124.98	124.13	1,139	1,204	50,480	52,338	49,512
5048	New Rockford Rural Health Clinic	81.42	79.72	85.42	336	441	(571)	1,764	1,344
5052	Towner County Memorial Rural Health Clinic - Cando	93.35	129.73	108.48	615	507	22,374	7,671	9,305
5053	Milnor Rural Health Clinic	46.06	342.53	342.53 *		17	-	5,040	-
5057	Mountrail County Rural Health Clinic	61.83	142.27	142.27 *	157	155	12,629	12,468	12,629
5063	Wishek Hospital Clinic Association	85.46	123.57	177.35	483	267	18,407	24,535	44,383
5066	Meritcare Halstad Rural Health Clinic	69.59	112.68	112.68		4	-	172	-
5069	Meritcare Enderlin Rural Health Clinic	81.57	112.68	160.85	288	237	8,960	18,789	22,833
5074	First Care Rural Health Clinic	75.75	152.85	158.64	1,126	1,236	86,815	102,452	93,334
5082	Crosby Clinic	73.76	131.91	141.05	293	329	17,038	22,138	19,716
5083	Garrison Family Clinic	65.06	158.93	127.39	378	506	35,483	31,539	23,561
5085	Kulm Community Clinic	79.14	118.46	156.13	66	113	2,595	8,700	5,081
5095	Avera Clinic of Ellendale	76.53	103.26	103.26 *	128	515	3,421	13,766	3,421
5103	Linton Medical Center Rural Health Clinic	59.99	149.77	123.96	300	364	26,934	23,285	19,191
5109	Ashley Medical Center Clinic	60.14	154.53	111.94		190	-	9,842	-
5126	St. Luke's RHC - Lignite	54.96	131.91	141.05	111	46	8,541	3,960	9,556
5139	Washburn Family Clinic	96.77	187.39	187.39 *	144	235	13,049	21,296	13,049
5140	Barnesville Area Clinic	61.95					-	-	-
5141	Kittson Memorial Clinic	146.11					-	-	-
5142	Bowbells Clinic	59.43	131.91	141.05	19	24	1,377	1,959	1,551
5145	Southwest Medical Clinic - Bowman	62.33	135.41	170.30	189	77	13,812	8,314	20,406
5148	Kenmare Health Clinic	75.87	104.17	87.48	180	168	5,094	1,950	2,090
5149	Pembina County Memorial Hospital Rural Health Clinic	81.07	153.33	153.33 *	542	598	39,165	43,211	39,165
5150	West River Health Clinic - McLaughlin	77.47				37	-		-
5152	Cavalier County Memorial	77.31	151.44	124.64	395	411	29,281	19,453	18,695
5158	Lakota Health Center	83.08	212.53	151.10	8	3	1,036	204	544
5160	Coteau des Prairies Clinic	71.62				36	-		-
5164	McKenzie County Healthcare System	65.73	159.58	168.42	455	428	42,702	43,951	46,724
5165	St Andrews Bottineau Clinic	63.77	85.92	78.07	947	966	20,976	13,814	13,542
5166	Gackle Community Clinic	75.75	103.52	140.35	26	40	722	2,584	1,680
5169	Jacobsen Memorial Hospital Community Clinic	79.86	121.67	113.02	324	542	13,546	17,973	10,744
5171	Lisbon Family Medical Center					871		-	-
5177	Glen Ullin Family Medical Clinic	88.01	71.72	81.90	570	473	(9,285)	(2,890)	(3,483)
5178	Richardton Clinic	88.01	176.82	176.82 *	2	131	178	11,634	178
5179	Sakakawea Beulah Clinic	80.26	149.42	140.13	118	117	8,161	7,005	7,065
5180	Sakakawea Hazen Clinic	80.26	103.74	132.77	135	130	3,170	6,826	7,089
5183	Renville County Hospital and Clinics	90.02					-	-	-
5184	West Dakota Health Center	105.74					-	-	-
5185	Heart of America Johnson Clinic-Maddock	83.54	91.98	108.92	171	102	1,443	2,589	4,340
5186	Heart of America Johnson Clinic-Dunseith	83.54	91.98	67.69	3,217	2,102	27,151	(33,317)	(50,989)
5188	Heart of America Johnson Clinic	83.54	91.98	102.37	1,423	1,167	12,010	21,975	26,795
5189	Kidder County Community Health Center	78.78				230	-		-
5190	Sanford Health Oakes Clinic	90.47	96.02	96.02 *	1,472	235	8,170	1,304	8,170
5191	Sanford Health Lidgerwood Clinic	90.47	96.02	96.02 *	189	48	1,049	266	1,049
5192	Sanford Health Ellendale Clinic	90.47	96.02	96.02 *	309	-	1,715	-	1,715
5193	Sanford Health Gwinner Clinic	90.47	96.02	96.02 *	228	40	1,265	222	1,265
5194	Sanford Health Forman Clinic	77.73	96.02	96.02 *	123	49	2,250	896	2,250
5195	Sanford Health LaMoure Clinic	90.47	96.02	96.02 *	280	67	1,554	372	1,554
5196	Sanford Health Hillsboro Clinic	71.02	96.02	96.02 *	787	990	19,675	24,750	19,675
					21,122	19,719	677,335	696,937	663,401

* No current Medicare Rate Available, used 2009 rate

Biennium Total	1,393,875
General Funds	694,289
Federal Funds	699,586

HB 1012
1/31/2013 PM
Attachment #2

Community Health Center Sites in North Dakota



Legend

- ● Medical and Behavioral Health
- ◆ Oral Health
- ■ School-based Health
- ▲ Healthcare for the Homeless
- ★ Pharmacy
- ❍ Migrant Health
- ❑ Pediatric Health
- ✧ Contracted Health Services

NORTH DAKOTA

Coal Country Community Heath Centers
Family HealthCare Center
Migrant Health Service, Inc.
Northland Community Health Center
Valley Community Health Centers

HB 1012
1/31/2013 PM
Attachment #3

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2013-2015 Executive Budget

	Budget	% of Budget
Long Term Care Continuum		
All Services		
Nursing Homes	501,294,823	82.59%
Basic Care	36,280,327	5.98%
Personal Care Community	27,867,758	4.59%
SPED	14,533,161	2.39%
HCBS Waiver	12,933,078	2.13%
PACE	10,312,381	1.70%
TCM - Aged & Disabled	1,735,896	0.29%
Ex-SPED	1,326,945	0.22%
Tech Dependent Waiver	394,440	0.07%
Children's Medically Fragile Waiver	141,288	0.02%
Children's Hospice Waiver	121,797	0.02%
Total of LTC Services	**606,941,894**	**100.00%**
Total 2013-2015 Executive Budget	**$606,941,894**	

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Nursing Homes

Month	Actual Units of Service (Bed Days)	Actual Cost Per Unit	Actual Expenditures
August-11	103,889	$177.78	$18,469,333
September-11	95,623	$175.07	$16,740,835
October-11	95,143	$178.35	$16,968,858
November-11	98,683	$176.48	$17,415,674
December-11	94,543	$173.25	$16,379,443
January-12	85,084	$174.70	$14,863,978
February-12	113,254	$173.99	$19,705,574
March-12	93,070	$185.46	$17,260,567
April-12	100,727	$175.59	$17,686,912
May-12	100,541	$177.09	$17,805,033
June-12	98,597	$181.10	$17,855,942
July-12	89,927	$180.67	$16,247,317
August-12	108,723	$180.40	$19,613,914
September-12	97,943	$180.70	$17,698,334
October-12	96,271	$181.10	$17,434,278
November-12	100,856	$181.40	$18,295,519
Monthly Averages	98,305	$ 178.32	$17,527,594

In-State Nursing facility rates are established annually from cost reports.

Swing Bed Rates are based on the average Medicaid Nursing Facility Rates from the previous year.

The Average Cost per unit for Out of State Nursing Facility Services is the average amount paid.

The rates above do not include: 3% inflation effective January 1, 2013

Rebasing January 1, 2013

Executive Budget recommendation**
50¢ per hour staff salary increase
Personal needs allowance increase from $50 to $65

4/4 Inflation

A total of 106 beds have transferred to the Fargo area and will be available in the 13-15 biennium. We assumed 55 of those beds will be occupied by Medicaid eligible recipients. To account for these 55 beds; 10 beds were added each month starting October 2014 thru Janurary 2015. Then 5 per month from February 2015 to April 2015.

Accounted for a new 16 bed Gero-psych unit to be fully operational before the 11-13 biennium ends and also added 3 Non Geriatric beds for anticipated growth in the current 11-13 biennium. Non Geriatric beds were held flat in 13-15.

** The Executive budget recommendation includes providing a 50¢ per hour rate increase and increasing the Personal Needs Allowance from $85 to $100. The 50¢ per hour staff salary increase is effective for a full 24 months of the biennium while the Personal Needs allowance would be effective October 1, 2013, covering 21 month of the biennium.

		Units	
In-state NF	In-state NF	92,199	
Dakota Alpha	Dakota Alpha	426	
Geropsych	Geropsych	1,460	
Swing Bed	Swing Bed	1,186	
Hospice	Hospice	2,494	
Out of State NF	Out of State NF	1,187	
Total	**Total**	98,952	**$211.09**

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Basic Care (Room & Board & Personal Care Services)

Month	Actual Units of Service (Bed Days)	Actual Cost Per Unit	Actual Expenditures
August-11	19,240	$62.45	$1,201,480
September-11	17,231	$60.68	$1,045,569
October-11	17,830	$59.58	$1,062,339
November-11	20,366	$61.08	$1,243,856
December-11	17,128	$61.16	$1,047,537
January-12	19,219	$59.23	$1,138,346
February-12	18,247	$58.77	$1,072,386
March-12	18,925	$55.89	$1,057,715
April-12	18,759	$60.33	$1,131,680
May-12	19,887	$58.31	$1,159,623
June-12	18,347	$61.45	$1,127,503
July-12	18,338	$67.32	$1,234,542
August-12	19,300	$61.42	$1,185,392
September-12	17,789	$63.96	$1,137,728
October-12	20,199	$59.13	$1,194,389
November-12	19,148	$60.55	$1,159,440
Monthly Averages	18,747	$60.67	$1,137,470

Units -Avg Aug 11 - April 12	18,378	
Facility specific rates are established annually from cost reports.		$61.49
Growth May 12 thru July 13 Approximately 11 beds	328	
No Growth projected in 13-15	-	
5% increase for historical costs 11-13		$3.08
3% Inflation (7-1-12)		1.84
5% increase for historical costs 13-15		$3.32
Executive Budget recommendation**		$6.96
50¢ per hour staff salary increase		
Personal needs allowance increase from $85 to $100		
4/4 Inflation for 13-15		$4.12
Monthly Averages Executive Budget 13-15	**18,706**	**$80.81**

** The Executive budget recommendation includes providing staff of Basic Care Facilities with a 50¢ per hour rate increase and increasing the Personal Needs Allowance from $85 to $100. The 50¢ per hour is effective for a full 24 months of the biennium while the Personal Needs allowance would be effective October 2013, covering 21 months of the biennium.

Basic Care includes room and board AND personal care services.

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Personal Care Community

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	615	1,604.86	211,071	$4.68	$986,987
September-11	614	1,596.25	208,890	$4.69	$980,096
October-11	610	1,616.62	212,412	$4.64	$986,141
November-11	612	1,598.29	208,636	$4.69	$978,151
December-11	612	1,555.83	200,848	$4.74	$952,168
January-12	607	1,564.69	202,070	$4.70	$949,765
February-12	611	1,614.01	208,808	$4.72	$986,163
March-12	612	1,556.98	201,558	$4.73	$952,873
April-12	635	1,556.13	210,595	$4.69	$988,143
May-12	624	1,557.10	205,607	$4.73	$971,628
June-12	618	1,545.33	203,116	$4.70	$955,014
July-12	602	1,606.20	205,976	$4.69	$966,930
August-12	654	1,691.95	226,881	$4.88	$1,106,534
September-12	630	1,737.42	223,459	$4.90	$1,094,573
October-12	653	1,663.02	222,834	$4.87	$1,085,952
November-12	633	1,678.90	219,498	$4.84	$1,062,746
Monthly Averages	621	$1,609.72	210,766	$4.74	$1,000,242

Avg Aug 11 - April 12	614	$1,584.75
Growth May 12 thru July 13 (1 per month in SFY 2013)	12	
Growth 11-13 biennium (1 per month in SFY 2014 then flat in 2015)	9	
3% Inflation (7-1-12)		$47.54
Executive Budget recommendation**	18	$44.60
50¢ per hour QSP rate increase Provide for a mileage Differential		
4/4 Inflation for 11-13		$100.62
Monthly Averages Executive Budget 13-15	**653**	**$1,777.51**

** The Executive budget recommendation includes providing QSP's with a 50¢ per hour rate increase and providing a mileage differential to providers that are more than a 20 mile round trip from their client. The 50¢ per hour rate increase is effective for a full 24 months of the biennium while the mileage differential would be implemented January 1, 2014, covering 18 months of the biennium.

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Targeted Case Management for Aged & Disabled

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	527	$129.75	561	$121.89	$68,379
September-11	472	$133.85	500	$126.35	$63,175
October-11	421	$132.71	483	$115.68	$55,872
November-11	525	$130.28	557	$122.80	$68,399
December-11	442	$138.08	546	$111.78	$61,031
January-12	425	$131.88	443	$126.52	$56,047
February-12	573	$134.83	644	$119.96	$77,255
March-12	506	$134.83	557	$122.49	$68,225
April-12	410	$126.48	426	$121.73	$51,856
May-12	497	$126.77	530	$118.88	$63,004
June-12	453	$132.40	471	$127.34	$59,976
July-12	438	$131.26	457	$125.81	$57,494
August-12	528	$134.89	570	$124.95	$71,221
September-12	438	$132.03	474	$122.00	$57,829
October-12	470	$143.56	500	$134.94	$67,472
November-12	405	$138.77	432	$130.10	$56,203
Monthly Averages	471	$133.26	509	$123.33	$62,715

Avg Aug 11 - April 12	478	$132.58
Growth May 12 thru July 13 (1 per month in FY 2013)	12	
Growth 13-15 biennium (1 per month in FY 2014 then flat in 2015)	9	
3% Inflation (7-1-12)		$3.98
4/4 Inflation for 13-15		$8.32
Monthly Averages Executive Budget 13-15	**499**	**$144.88**

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

SPED (Service Payments for Elderly and Disabled)

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	1,232	$396.47	52,916	$9.23	$488,451
September-11	1,230	$380.04	51,965	$9.00	$467,448
October-11	1,194	$384.64	53,998	$8.51	$459,262
November-11	1,255	$376.27	52,384	$9.01	$472,225
December-11	1,231	$352.20	48,157	$9.00	$433,560
January-12	1,198	$374.29	50,501	$8.88	$448,394
February-12	1,239	$385.50	54,204	$8.81	$477,633
March-12	1,213	$372.00	49,058	$9.20	$451,239
April-12	1,197	$368.85	48,008	$9.20	$441,513
May-12	1,215	$366.35	50,059	$8.89	$445,116
June-12	1,192	$373.25	51,102	$8.71	$444,912
July-12	1,182	$355.84	47,098	$8.93	$420,608
August-12	1,202	$400.79	53,160	$9.06	$481,746
September-12	1,145	$389.23	47,836	$9.32	$445,667
October-12	1,234	$393.81	53,648	$9.06	$485,963
November-12	1,186	$375.10	49,805	$8.93	$444,874
Monthly Averages	1,209	$377.80	50,869	$8.98	$456,788

Avg Aug 11 - April 12	1,221	$376.72
Growth May 12 thru July 13 (1 per month in FY 2013)	12	
Growth 13-15 biennium (1 per month in FY 2014 then flat in 2015)	9	
3% Inflation (7-1-12)		$11.30
Executive Budget recommendation**	28	$63.02
50¢ an hour QSP rate increase Provide Home Delivered Meals Provide for a Extended Personal Care Provide for a mileage Differential		
4/4 Inflation for 11-13		$25.77
Monthly Averages Executive Budget 13-15	**1,270**	**$476.81**

** The Executive budget recommendation includes providing QSP's with a 50¢ per hour rate increase, providing individuals under 60 on the SPED program with home delivered meals 7 days a week, allowing Extended Personal Care services, and providing a mileage differential to providers that are more than a 20 mile round trip from their client. The 50¢ per hour rate increase is effective for a full 24 months of the biennium while the home delivered meals, Extended Personal Care Services and the mileage differential would be implemented January 1, 2014, covering 18 months of the biennium.

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Ex-SPED

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	132	$231.39	4,388	$6.96	$30,544
September-11	134	$216.84	4,035	$7.20	$29,057
October-11	132	$227.18	4,528	$6.62	$29,988
November-11	133	$264.86	4,741	$7.43	$35,226
December-11	138	$243.45	4,527	$7.42	$33,596
January-12	134	$245.92	4,604	$7.16	$32,953
February-12	147	$265.12	5,355	$7.28	$38,973
March-12	143	$237.62	4,582	$7.42	$33,980
April-12	149	$232.36	4,560	$7.59	$34,622
May-12	150	$243.33	4,764	$7.66	$36,500
June-12	138	$215.09	3,917	$7.58	$29,682
July-12	133	$217.04	3,904	$7.39	$28,866
August-12	135	$248.00	4,283	$7.82	$33,480
September-12	135	$241.41	4,176	$7.80	$32,591
October-12	136	$279.51	4,541	$8.37	$38,013
November-12	125	$261.53	4,316	$7.57	$32,691
Monthly Averages	137	$241.92	4,451	$7.45	$33,173

Avg Aug 11 - April 12	138	$240.69
Growth May 12 thru July 13	20	
Growth 13-15 biennium (2 per month in FY 2014 then flat in 2015)	22	
3% Inflation (7-1-12)		$7.22
Executive Budget recommendation**	3	$38.57
50¢ an hour QSP rate increase Provide Home Delivered Meals Provide for a mileage Differential		
4/4 Inflation for 13-15		$16.06
Monthly Averages Executive Budget 13-15	**183**	**$302.54**

** The Executive budget recommendation includes providing QSP's with a 50¢ per hour rate increase, providing individuals under 60 on the Ex-SPED program with home delivered meals 7 days a week, and providing a mileage differential to providers that are more than a 20 mile round trip from their client. The 50¢ per hour is effective for a full 24 months of the biennium while the home delivered meals and mileage differential would be implemented January 1, 2014, covering 18 months of the biennium.

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

HCBS Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	310	$1,273.32	12,858	$30.70	$394,730
September-11	298	$1,253.21	12,523	$29.82	$373,458
October-11	302	$1,188.65	11,811	$30.39	$358,973
November-11	317	$1,249.30	14,224	$27.84	$396,028
December-11	291	$1,221.54	12,788	$27.80	$355,468
January-12	306	$1,085.88	8,431	$39.41	$332,279
February-12	309	$1,324.12	12,727	$32.15	$409,152
March-12	299	$1,220.63	12,480	$29.24	$364,969
April-12	286	$1,322.05	12,966	$29.16	$378,105
May-12	305	$1,264.22	12,455	$30.96	$385,588
June-12	288	$1,379.87	12,234	$32.48	$397,402
July-12	296	$1,265.23	11,421	$32.79	$374,507
August-12	304	$1,351.48	10,791	$38.07	$410,850
September-12	293	$1,292.03	12,154	$31.15	$378,566
October-12	307	$1,332.84	12,742	$32.11	$409,182
November-12	297	$1,441.67	13,009	$32.91	$428,175
Monthly Averages	301	$1,278.58	12,226	$31.43	$384,215

Avg Aug 11 - April 12	302	$1,237.37	
Growth May 12 thru July 13 (2 per month)	30		
Added 7 units in the Minot area Starting August 2013	7	$24.77	**See Note 1**
Growth 13-15 biennium (2 per month)	25		
3% Inflation (7-1-12)		$37.12	
Executive Budget recommendation**	7	$71.43	
50¢ per hour QSP rate increase Provide for a mileage Differential Net cost of adding Personal Care with Supervision			
4/4 Inflation for 13-15		$82.79	
Monthly Averages Executive Budget 13-15	**371**	**$1,453.48**	

Note 1 - 7 new recipients were added in the Minot area. These individuals will be at higher rate than our current mix and thus a rate adjustment was made.

** The Executive budget recommendation includes providing QSP's with a 50¢ per hour rate increase, allowing for Personal Care Service within the waiver, and providing a mileage differential to providers that are more than a 20 mile round trip from their client. The 50¢ per hour rate increase is effective for a full 24 months of the biennium. The mileage differential would be implemented January 1, 2014, covering 18 months of the biennium. The Personal Care Services would be effective July 1, 2014, covering the last 12 months of the biennium.

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Children's Medically Fragile Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	4	$ 1,314.75	11	$ 478.09	$ 5,259
September-11	5	$ 1,185.40	16	$ 370.44	$ 5,927
October-11	5	$ 464.40	8	$ 290.25	$ 2,322
November-11	4	$ 508.50	6	$ 339.00	$ 2,034
December-11	2	$ 384.00	5	$ 153.60	$ 768
January-12	3	$ 627.67	7	$ 269.00	$ 1,883
February-12	3	$ 1,305.00	7	$ 559.29	$ 3,915
March-12	4	$ 2,732.75	17	$ 643.00	$ 10,931
April-12	2	$ 2,595.50	6	$ 865.17	$ 5,191
May-12	4	$ 1,216.50	14	$ 347.57	$ 4,866
June-12	2	$ 526.00	2	$ 526.00	$ 1,052
July-12	2	$ 1,119.00	4	$ 559.50	$ 2,238
August-12	5	$ 1,737.80	16	$ 543.06	$ 8,689
September-12	4	$ 1,814.25	12	$ 604.75	$ 7,257
October-12	3	$ 555.33	3	$ 555.33	$ 1,666
November-12	4	$ 693.50	5	$ 554.80	$ 2,774
Monthly Averages	4	$1,192.36	9	$480.37	$4,173

Avg Aug 11 - April 12	4	$1,194.69
Growth May 12 thru July 13	0	
Growth 13-15 biennium (1 additional in FY 2015)	1	
3% Inflation (7-1-12)		$35.84
4/4 Inflation for 13-15		$74.82
Monthly Averages **Executive Budget 13-15**	**5**	**$1,305.35**

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Technology Dependent Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	1	$10,158.00	2,349	$4.32	$10,158
September-11	1	$9,973.00	2,305	$4.33	$9,973
October-11	1	$9,749.00	2,278	$4.28	$9,749
November-11	1	$10,170.00	2,351	$4.33	$10,170
December-11	1	$9,836.00	2,273	$4.33	$9,836
January-12	1	$10,015.00	2,340	$4.28	$10,015
February-12	1	$10,350.00	2,351	$4.40	$10,350
March-12	1	$9,365.00	2,188	$4.28	$9,365
April-12	1	$10,049.00	2,348	$4.28	$10,049
May-12	1	$10,996.00	2,544	$4.32	$10,996
June-12	1	$12,848.00	3,002	$4.28	$12,848
July-12	1	$12,121.00	2,807	$4.32	$12,121
August-12	1	$13,244.00	2,981	$4.44	$13,244
September-12	1	$9,151.00	2,080	$4.40	$9,151
October-12	1	$14,292.00	3,223	$4.43	$14,292
November-12	1	$12,954.00	2,938	$4.41	$12,954
Monthly Averages	1	$10,954.44	2,522	$4.34	$10,954

Avg Aug 11 - April 12	1	$9,962.78
Growth May 12 thru July 13	0	
Growth 13-15 biennium (1 additional in FY 2015)	1	
3% Inflation (7-1-12)		$298.88
4/4 Inflation for 13-15		$623.92
Monthly Averages **Executive Budget 13-15**	**2**	**$10,885.58**

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

PACE (Program of All Inclusive Care for the Elderly)

Month	Unduplicated Recipients	Actual Units	Actual Cost Per Unit	Actual Expenditures
August-11	3	7	($4,234.86)	($29,644)
September-11	58	171	$4,160.89	$711,513
October-11	60	60	$5,031.43	$301,886
November-11	60	61	$4,225.90	$257,780
December-11	60	61	$4,216.23	$257,190
January-12	60	63	$4,248.68	$267,667
February-12	0	0	$0.00	$0
March-12	61	123	$4,216.85	$518,672
April-12	61	61	$4,243.57	$258,858
May-12	60	60	$4,703.05	$282,183
June-12	56	56	$4,336.54	$242,846
July-12	0	0	$0.00	$0
August-12	58	58	$4,380.67	$254,079
September-12	60	60	$4,576.58	$274,595
October-12	63	63	$4,386.68	$276,361
November-12	61	61	$4,193.34	$255,794
Monthly Averages		60	$4,279.56	$258,111

Used April 2012 actual	61	
Avg Aug 11 - April 12		$4,289.28
Growth May 12 thru July 13 (1 per month)	15	
Growth 13-15 biennium (1 per month)	13	
Estimated actuarial rate increase of 5% (7-1-12)		$214.46
Estimated actuarial rate increase of 5%/5% 13-15		$351.43
Monthly Averages Executive Budget 13-15	**89**	**$4,855.17**

North Dakota Dept of Human Services
Long Term Care Continuum
Detail of Selected Services
2011-2013 Actual

Children's Hospice Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units of Service	Actual Cost Per Unit	Actual Expenditures
August-11	0	$ -	0	$ -	$ -
September-11	1	$ 929.00	0	$ -	$ 929
October-11	0	$ -	0	$ -	$ -
November-11	0	$ -	0	$ -	$ -
December-11	0	$ -	0	$ -	$ -
January-12	0	$ -	0	$ -	$ -
February-12	0	$ -	0	$ -	$ -
March-12	0	$ -	0	$ -	$ -
April-12	0	$ -	0	$ -	$ -
May-12	0	$ -	0	$ -	$ -
June-12	0	$ -	0	$ -	$ -
July-12	0	$ -	0	$ -	$ -
August-12	0	$ -	0	$ -	$ -
September-12	0	$ -	0	$ -	$ -
October-12	0	$ -	0	$ -	$ -
November-12	0	$ -	0	$ -	$ -
Monthly Averages	1	$929.00	0		$929

Used Waiver Request Rate		$2,352.03
Anticipate 1 recipient July 2013	1	
Growth 13-15 biennium (Added 1 in April 2014 and 1 in Jan 2015)	1	
3% Inflation (7-1-12)		$70.56
4/4 Inflation for 13-15		$147.29
Monthly Averages Executive Budget 13-15	**2**	**$2,569.88**

HB 1012
2/1/2013
Attachment #1

Fact Sheet

January 2013

Program of All-inclusive Care for the Elderly (PACE)

What is PACE?

PACE programs provide a comprehensive service delivery system which includes all needed preventive, primary, acute and long term care services so that individuals can continue living in the community. The PACE program becomes the sole source of services for Medicare and Medicaid eligible enrollees. For most participants, the comprehensive service package permits them to continue living at home while receiving services. Providers assume full financial risk for participants' care without limits on amount, duration, or scope of services.

Background:

- The Balanced Budget Act of 1997 established the PACE model for both Medicaid and Medicare programs.
- PACE providers receive a set amount of money on a monthly basis for each eligible Medicare and Medicaid enrollee to provide patient-centered and coordinated care to frail elderly individuals living in the community.
- PACE has been approved by the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) as an evidenced based model of care.

Who Can Participate?

PACE eligibility requirements:

- Be at least 55 years old,
- Be eligible for nursing home level of care
- Live within an area served by Northland PACE, and
- Be able to live safely at home

PACE Services:

The emphasis of the PACE program is on enabling participants to remain in their community and enhancing their quality of life. A team of health care professionals from different disciplines assesses each participant's needs, develops a care plan, and delivers all services (including acute care and nursing facility services if necessary). Minimum services that must be provided in the PACE center include primary care services, social services, restorative therapies, personal care and supportive services, nutritional counseling, recreational therapy, and meals. The services are provided primarily in an adult health center, supplemented by in-home and referral services in accordance with a participant's needs. PACE is a voluntary program.

Location:

The Northland Healthcare Alliance has developed two PACE service areas in North Dakota; which are Bismarck and Dickinson. The Bismarck PACE program is able to serve 150 enrollees and Dickinson is able to serve 25 enrollees.

Contact Information:

For information about PACE and how to enroll into the program, contact Northland PACE:

- Bismarck 701-751-3050
- Dickinson 701-456-7387
- Toll Free 1-888-883-8959

HCBS FUNCTIONAL & FINANCIAL ELIGIBILITY REQUIREMENTS COMPARISON (11/2012)

EXSPED (Expanded Service Payments for the Elderly & Disabled)	SPED (Service Payments for the Elderly& Disabled)	MSP-Personal Care (Level A) Includes: Daily/Rate & PC-Basic Care/Rate	MSP-Personal Care (Level B)	MSP-Personal Care (Level C)	Medicaid Waiver for HCBS (Elderly &Disabled)	Technology Dependent Medicaid Waiver
Services • Adult Day Care • Adult Foster Care • Chore • Emergency Response • Environmental Modification • Family Home Care • HCBS Case Management • Homemaker • Non-Medical Transportation • Respite	**Service** • Adult Day Care • Adult Foster Care • Chore • Emergency Response • Environmental Modification • Family Home Care • HCBS Case Management • Homemaker • Non-Medical Transportation • Respite • Personal Care Services	**Service** • Personal Care Services	**Service** • Personal Care Services	**Service** • Personal Care Services	**Service** • Adult Day Care • Adult Foster Care • Adult Residential • Chore & ERS Systems • Environmental Modification • HCBS Case Management • Homemaker • Non-Med Transportation • Respite • Specialized Equipment/Supplies • Supported Employment • Transitional Care • Extended Personal Care • Home Delivered Meals • Family Personal Care	**Service** • Attendant Care Service • HCBS Case Management
	Personal Care Service: Assistance with activities of daily living (ADLs) such as bathing, dressing, toileting, transferring, eating, mobility and incontinence care and with instrumental activities of daily living (IADLS) may be provided in conjunction with the tasks for ADLs.					
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, requiring supervision or structured environment	**Functional Eligibility** Impaired in 4 ADLs, OR in at least 5 IADLs, totaling eight (8) or more points or if living alone totaling at least six (6) points **Or** If under age 18, meet **LOC** screening criteria **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 4 following IADL's • Meal Prep • Housework • Laundry • Medication Assistance	**Functional Eligibility** Impaired in 1 ADL **Or** Impaired in 3 of the following 4 IADL's • Meal Prep • Housework • Laundry • Medication Assistance **And** Meet **LOC** criteria	**Functional Eligibility** Impaired in 5 ADL's **And** Meet **LOC** criteria **And** No units allocated to the tasks of laundry, shopping, & housekeeping **And** Prior approval from the Dept.	**Functional Eligibility** • Meet **LOC** criteria • Age 18 or older • Choose waiver services • Receive service on a monthly basis • Participate in planning • Functional impairment cannot be the result of a mental illness or mental retardation. • If under 65 the disability must meet Social Security criteria or determined to be physically disabled by the state review team	**Functional Eligibility** • Meet **LOC** criteria • Vent Dependent at least 20 hrs per day • Medically stable • Has an informal caregiver system for contingency planning • Is competent to participate in planning • If under 65 the disability must meet Social Security criteria or determined to be physically disabled by the state review team
			Nursing Facility Level of Care Screening- **(LOC)** Eligibility may include a medical need, example: vent dependent, unstable medical condition, dementia; or an individual may qualify by needing assistance with 2 ADLs 60 % or more of the time. Criteria for LOC Screening - NDAC 75-02-02-09.			
Financial Eligibility Medicaid Eligible	**Financial Eligibility** Income & Asset Based Sliding Fee Scale Resources $50,000 or less	**Financial Eligibility- MSP – Personal Care** Medicaid Eligible			**Financial Eligibility- Waivers** Medicaid Eligible	
Program Cap $2048.00 per month	**Program Cap** $2048.00 per month	**Program Cap for MSP-Personal Care** Level A-480 units per month (a unit it 15 minutes) Level B- 960 units per month Level C- 1200 units per month			**Program Cap (HCBS Waiver and TD Waiver)** Limited to the highest monthly rate allowed to a nursing facility within the rate setting structure of the Dept.	

Individual QSP Rate $4.41 per/unit - **Agency QSP Rate** $6.15 per/unit (In addition some rates may be daily, one time, half day, and also specific to the service)

2/1/2013 Attachment #2

HB 1012
2/1/2013
Attachment #3

North Dakota Department of Human Services

County Jails Enrolled for Medical Claims Billing

County	Name	Address	City	State	Zip
1	Adams County Sheriff	602 Adams Avenue	Hettinger	ND	58639-1040
2	Barnes County Sheriff	218 2nd Avenue NE	Valley City	ND	58072-3008
5	Bottineau County Sheriff	314 5th Street W	Bottineau	ND	58318-1273
8	Burleigh County Sheriff	PO Box 1416	Bismarck	ND	58502-1416
9	Cass County Sheriff	450 34th Street South	Fargo	ND	58103
10	Cavalier County Sheriff	901 3rd Street	Langdon	ND	58249-2457
12	Divide County Sheriff	PO Box 275	Crosby	ND	58730-0275
15	Emmons County Sheriff	PO Box 159	Linton	ND	58552-0159
18	Grand Forks County Corrections	PO BOX 5244	Grand Forks	ND	58206-5244
24	Logan County Sheriff	PO Box 5	Napoleon	ND	58561-0005
26	McIntosh County Sheriff	PO Box 26	Ashley	ND	58413-0026
27	McKenzie County Sheriff	PO Box 591	Watford City	ND	58854-0591
28	McLean County Sheriff	PO Box 1108	Washburn	ND	58577-1108
29	Mercer County Sheriff	PO Box 39	Stanton	ND	58571-0039
30	Morton County Sheriff	215 1st Avenue NW	Mandan	ND	58554-3112
31	Mountrail County Sheriff	PO Box 309	Stanley	ND	58784-0309
34	Pembina County Sheriff	308 Court House Dr Ste 2	Cavalier	ND	58220
35	Heart of America Correctional Treatment Center (HACTC)	110 Industrial Park	Rugby	ND	58386
36	Lake Region Law Enforcement Center (LRLEC)	222 West Walnut Street	Devils Lake	ND	58301
39	Richland County Sheriff	413 3rd Avenue N. Ofc 2	Wahpeton	ND	58075-4487
40	Rolette County Sheriff	PO Box 447	Rolla	ND	58367-0447
45	Stark County Jail Administrator	66 Museum Drive	Dickinson	ND	58601
47	Stutsman County Jail Administrator	205 6th Street SE	Jamestown	ND	58401
49	Traill County Sheriff	PO Box 279	Hillsboro	ND	58045-0279
50	Walsh County Sheriff	638 Cooper Avenue	Grafton	ND	58237-1535
51	Ward County Sheriff	315 SE 3rd Street	Minot	ND	58701
53	Williams County Sheriff	512 4th Avenue E	Williston	ND	58801-5598

HB 1012
2/1/2013
Attachment #4

Department of Human Services
Medical Services Division
House Bill 1012

Provider Screening under Medicare, Medicaid, and Children's Health Insurance Program (CHIP) Section 1866(j)(2)(C) of the Social Security Act requires the Secretary to impose a fee on each institutional provider of medical or other items or services or supplier that would be used by the Secretary for program integrity efforts including to cover the cost of screening and to carry out the provision of the Social Security Act.

The screening shall include a licensure check, which may include such checks across State lines and the screening may, include a criminal background check; fingerprinting; unscheduled or unannounced site visits, and database checks.

Medicare/Medicaid Application Fees

Fees as published in the Federal Register on February 2, 2011:

2011	$505
2012	$515
2013	$525
2014	$536
2015	$547

The Secretary shall impose an application fee on each institutional provider. The amount of the fee is $500 per provider or supplier for 2010. For 2011 and each subsequent year, the fee amount will be determined by the statutorily required formula using the consumer price index for all urban consumers (CPI-U). (Each fee is rounded to the nearest dollar).

HB 1012
2/1/2013
ATTACHMENT #5

Department of Human Services
Medical Services Division
HB 1012 – House Appropriations
Definition of Medicare and Medicaid

What is Medicare?

Medicare is health insurance offered by the federal government to most people who are 65 and older and to some younger people with disabilities. Medicare coverage has four parts; Part A helps pay for hospital bills, Part B assists with doctor visits, surgeries and lab tests, Part C plans are alternatives to traditional Medicare such as a Medicare Advantage Plan, and Part D helps pay for prescribed drugs. Medicare is administered by the Centers for Medicare and Medicaid Services within the United States Department of Health and Human Services.

What is Medicaid?

Medicaid is a federal and state partnership program that makes coverage available for basic health services for qualified families with children, women who are pregnant, the elderly or disabled. Medicaid is overseen at the federal level by the Centers for Medicare and Medicaid Services within the United States Department of Health and Human Services and is administered by the states.

HB 1012
2/1/2013
Attachment #6

Source: S.L. 1999, ch. 34, § 15; 2007, ch. 429, § 1.

Effective Date.
The 2007 amendment of this section by section 1 of chapter 429, S.L. 2007 became effective March 2, 2007, pursuant to an emergency clause in section 2 of chapter 429, S.L. 2007.

50-24.4-30. Government nursing facility funding pool. Repealed by S.L. 2005, ch. 436, § 2.

CHAPTER 50-24.5

AID TO AGED, BLIND, AND DISABLED PERSONS

Section
50-24.5-01. Definitions.
50-24.5-02. Powers and duties of the department.
50-24.5-02.1. Registration of assisted living facilities — Repealed.
50-24.5-02.2. Basic care facility private room rates.
50-24.5-03. Powers and duties of county agency.
50-24.5-04. Services provided — Limit on cost.
50-24.5-05. Applicant's or guardian's duty to establish eligibility.
50-24.5-06. Appropriation of county funds — Reimbursement by department — Reimbursement by county agency — Repealed.
50-24.5-07. Residency.
50-24.5-08. Department has preferred claim against estate.
50-24.5-09. Responsibility for expenditures.

50-24.5-01. Definitions. In this chapter, unless the context otherwise requires:

1. "Aged" means at least sixty-five years of age.
2. "Blind" has the same meaning as the term has when used by the social security administration in the supplemental security income program under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.].
3. "Congregate housing" means housing shared by two or more individuals not related to each other which is not provided in an institution.
4. "County agency" means the county social service board.
5. "Department" means the department of human services.
6. "Disabled" has the same meaning as the term has when used by the social security administration in the supplemental security income program under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.].
7. "Eligible beneficiary" means a resident of this state who:
   a. (1) Is aged; or
      (2) Is at least eighteen years of age and is disabled or blind;
   b. Has applied for and is eligible to receive benefits under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], provided that an individual who was eligible to receive benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and who was receiving benefits under title XVI before January 1, 1995, is not ineligible because that individual is not eligible to receive benefits under title XIX;

chapter 429, S.L. 2007 became
:h 2, 2007, pursuant to an emer-
in section 2 of chapter 429, S.L.

unding pool. Repealed by

ED PERSONS

pplicant's or guardian's duty to establish eligibility.
ppropriation of county funds — Reimbursement by department — Reimbursement by county agency — Repealed.
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lemental security income
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this state who:

nd is disabled or blind;
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96 et seq.], provided that
e benefits under title XVI
381 et seq.] and who was
re January 1, 1995, is not
not eligible to receive

c. Based on a functional assessment, is not severely impaired in any of the activities of daily living of toileting, transferring to or from a bed or chair, or eating and:
   (1) Has health, welfare, or safety needs, including a need for supervision or a structured environment, which require care in a licensed adult family foster care home or an assisted living facility; or
   (2) Is impaired in three of the following four instrumental activities of daily living: preparing meals, doing housework, taking medicine, and doing laundry; and
d. Is determined to be eligible pursuant to rules adopted by the department.

8. "Institution" means an establishment that makes available some treatment or services beyond food or shelter to five or more individuals who are not related to the proprietor.
9. "Living independently" includes living in congregate housing. The term does not include living in an institution.
10. "Proprietor" means an individual responsible for day-to-day administration and management of a facility.
11. "Qualified service provider" means a county agency or independent contractor who agrees to meet standards for services and operations established by the department.
12. "Related to the proprietor" means an individual who is a proprietor's spouse or former spouse, or a parent, stepparent, grandparent, stepgrandparent, child, stepchild, grandchild, stepgrandchild, brother, sister, half-brother, half-sister, stepbrother, or stepsister of a proprietor or proprietor's spouse or former spouse.
13. "Remedial care" means services that produce the maximum reduction of an eligible beneficiary's physical or mental disability and the restoration of an eligible beneficiary to the beneficiary's best possible functional level.
14. "Would be eligible to receive the cash benefits except for income" refers to an individual whose countable income, less the cost of necessary remedial care that may be provided under this chapter, does not exceed an amount equal to the cash benefit under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] which the individual would receive if the individual had no income, plus sixty dollars.

Source: S.L. 1993, ch. 2, § 17; 1999, ch. 423, § 2; 2001, ch. 432, § 3; 2001, ch. 433, § 1; 2003, ch. 429, § 2.

50-24.5-02. Powers and duties of the department. The department shall:

1. Administer aid to vulnerable aged, blind, and disabled persons and

HB 1012
2/1/2013
Attachment #7

North Dakota Department of Human Services
Medical Services Division
Nursing Facilities Below 90% Occupancy *
On September 30, 2012

Facility	City	
Good Samaritan Society - Crosby	Crosby	59%
Dunseith Community Nursing Home	Dunseith	63%
Good Samaritan Society - Devils Lake	Devils Lake	72%
Jacobson Memorial Care Center	Elgin	72%
Good Samaritan Society - Lakota	Lakota	73%
Good Samaritan Society - Oakes	Oakes	74%
Good Samaritan Society - Bottineau	Bottineau	75%
Southwest Healthcare Services	Bowman	75%
Prairieview Health Center	Underwood	78%
Manor Care of Fargo	Fargo	79%
Northwood Deaconess Health Center	Northwood	79%
Napoleon Care Center	Napoleon	80%
St. Gerard's Community Nursing Home	Hankinson	81%
Wedgewood Manor	Cavalier	82%
Towner County Living Center	Cando	83%
Maple Manor Nursing Home	Langdon	83%
Ashley Medical Center	Ashley	84%
Western Horizons Care Center	Hettinger	84%
Good Samaritan Society - Larimore	Larimore	84%
Good Samaritan Society - Mohall	Mohall	84%
Manor Care of Minot	Minot	85%
Garrison Memorial Hospital Care Center	Garrison	86%
Marian Manor Healthcare Center	Glen Ullin	86%
Trinity Nursing Home	Minot	86%
Lutheran Home of the Good Shepherd	New Rockford	86%
Rolette Community Care Center	Rolette	86%
Souris Valley Care Center	Velva	86%
Benedictine Living Center of Garrison	Garrison	87%
Pembilier Nursing Center	Walhalla	87%
Good Samaritan Society - Arthur	Arthur	88%
Knife River Care Center	Beulah	88%
Lutheran Sunset Home	Grafton	88%
Good Samaritan Society - Mott	Mott	88%
Bethel Lutheran Home	Williston	88%
Richardton Health Center	Richardton	89%

* Based on information submitted by facilities.

HB 1012
2/1/2013
Attachment #8

The listing for Nursing Facilities reflects the low and high rates for the range of 48 case mix classifications.
Rates are only effective as of the date at the top of the page. Please contact the individual facility for current desk rates.

ND Department of Human Services - Division of Medical Services

Nursing Facilities -- Rates effective January 1, 2013

CITY	FACILITY	RATES Low Rate	High Rate
Aneta	Aneta Parkview Health Center-30322	$145.40	$423.55
Arthur	Good Samaritan Society, Arthur-30058	$146.76	$418.23
Ashley	Ashley Medical Center SNF-30188	$162.32	$511.77
Beulah	Knife River Care Center-30002	$191.75	$568.21
Bismarck	Baptist Home-30003	$152.09	$497.90
Bismarck	Good Samaritan Society, Bismarck - 30494	$197.38	$568.91
Bismarck	Missouri Slope Lutheran Care Center-30004	$174.48	$554.17
Bismarck	Sanford Health, St. Vincent's Care Center-30005	$158.41	$528.31
Bismarck	St. Gabriel's Community - 30497	$243.43	$628.96
Bottineau	Good Samaritan Society, Bottineau-30118	$161.36	$489.57
Bowman	Southwest Healthcare Services-30403	$172.08	$557.61
Cando	Towner County Living Center-30379	$162.00	$421.84
Carrington	Golden Acres Manor-30008	$144.27	$445.27
Cavalier	Wedgewood Manor-30424	$166.09	$507.61
Cooperstown	Griggs County Care Center-30095	$168.48	$549.17
Crosby	Good Samaritan Society, Crosby-30122	$150.14	$462.57
Devils Lake	Good Samaritan Society, Devils Lake-30115	$140.24	$419.24
Devils Lake	Heartland Care Center-30010	$184.58	$557.85
Dickinson	St. Benedict's Health Center-30237	$151.00	$466.26
Dickinson	St. Luke's Home-30011	$184.53	$570.06
Dunseith	Dunseith Community Nursing Home-30052	$146.27	$427.84
Elgin	Jacobson Memorial Care Center-30077	$165.87	$492.01
Ellendale	Prince of Peace Care Center-30012	$140.13	$382.84
Enderlin	Maryhill Manor-30421	$166.58	$479.18
Fargo	Bethany on University-30060	$160.15	$484.59
Fargo	Bethany on 42nd Skilled Care - 30492	$215.58	$601.11
Fargo	Elim Rehab & Care Center-30051	$158.40	$472.59
Fargo	Manorcare Health Services-30478	$130.28	$394.61
Fargo	Rosewood on Broadway-30420	$165.78	$471.01
Fargo	Villa Maria Healthcare-30419	$165.17	$460.13
Forman	Four Seasons Health Care Center-30406	$124.47	$347.11
Garrison	Benedictine Living Center of Garrison-30247	$146.04	$427.89
Garrison	Garrison Memorial Hospital NF-30134	$159.58	$497.00
Glen Ullin	Marian Manor HealthCare Center-30067	$142.45	$504.60

CITY	FACILITY	RATES Low Rate	High Rate
Grafton	Lutheran Sunset Home-30016	$161.31	$536.57
Grand Forks	Valley Eldercare Center-30017	$176.66	$546.46
Grand Forks	Woodside Village-30201	$166.61	$501.78
Hankinson	St. Gerard's Community NH-30163	$132.41	$402.33
Harvey	St. Aloisius Medical Center-30129	$150.56	$469.26
Hatton	Hatton Prairie Village-30018	$170.95	$556.48
Hettinger	Western Horizons Living Center-30477	$146.27	$476.34
Hillsboro	Hillsboro Medical Center NH-30019	$205.28	$590.81
Jamestown	Ave Maria Village -30422	$163.49	$505.67
Jamestown	Eventide at Hi-Acres - 30498	$177.10	$552.05
Killdeer	Hill Top Home of Comfort-30271	$172.40	$546.20
Lakota	Good Samaritan Society, Lakota-30097	$134.53	$394.25
LaMoure	St. Rose Care Center-30119	$136.74	$431.70
Langdon	Maple Manor Care Center-30083	$167.57	$450.47
Larimore	Good Samaritan Society, Larimore-30113	$141.16	$390.55
Lisbon	North Dakota Veterans Home-30293	$186.88	$572.41
Lisbon	Parkside Lutheran Home-30109	$178.07	$554.53
Mandan	Dacotah Alpha-30225	$371.96	same for all residents
Mandan	Sanford Health, Care Center Off Collins-30106	$162.68	$497.67
Mandan	Sanford Health, Mandan Living Center-30288	$180.65	$553.23
Mayville	Luther Memorial Home-30024	$158.34	$542.01
McVille	Nelson County Health System Care Ctr-30384	$155.69	$461.21
Minot	Manorcare Health Services-30479	$125.65	$377.08
Minot	Trinity Nursing Home-30028	$173.36	$548.75
Mohall	Good Samaritan Society, Mohall-30173	$138.37	$411.96
Mott	Good Samaritan Society, Mott-30142	$126.67	$348.32
Napoleon	Napoleon Care Center-30114	$141.54	$435.68
New Rockford	Lutheran Home of the Good Shepherd-30029	$177.20	$513.95
New Salem	Elm Crest Manor-30116	$170.55	$486.47
Northwood	Northwood Deaconess Health Center-30031	$180.18	$538.96
Oakes	Good Samaritan Society, Oakes-30124	$125.25	$382.95
Park River	Good Samaritan Society, Park River-30154	$137.15	$391.31
Richardton	Richardton Health Center CC-30487	$177.25	$562.78
Rolla	Rolette Community Care Center-30466	$168.81	$380.49
Rugby	Heart of American Nursing Facility-30135	$155.47	$468.94
Stanley	Mountrail Bethel Home-30032	$164.15	$536.60
Strasburg	Strasburg Nursing Home-30033	$154.62	$532.22
Tioga	Tioga Medical Center LTC-30176	$161.24	$500.08
Underwood	Sanford Health, Continuing Care Ctr-30053	$162.97	$527.03
Valley City	Sheyenne Care Center-30418	$141.23	$455.57

CITY	FACILITY	RATES Low Rate	High Rate
Valley City	Sheyenne Care Center Geropsych-30423	$224.79	same for all residents
Velva	Souris Valley Care Center-30216	$138.74	$391.34
Wahpeton	St. Catherine's Living Center-30034	$133.92	$376.25
Walhalla	Pembilier Nursing Center-30035	$128.04	$390.18
Watford City	McKenzie County Healthcare-30449	$165.82	$536.31
West Fargo	Sheyenne Crossings Care Center - 30496	$182.72	$533.75
Williston	Bethel Lutheran Home-30038	$163.91	$549.44
Wishek	Wishek Home for the Aged-30039	$151.77	$478.25

HB 1012
2/1/2013
Attachment #9

North Dakota Nursing Facility Ratesetting

The rates for each nursing facility are computed annually by the North Dakota Department of Human Services (DHS) and are based on information obtained from the facility's cost report. There are six categories or components to the rates established for each facility: direct care rate, other direct care rate, indirect care rate, property rate, operating margins, and incentive. Only a facility's direct care rate is case-mix adjusted. Case-mix is a means of payment for a resident's cost of care that is based on documented evidence of the intensity of care and services provided to the resident. The remaining components of the rate are the same for all resident classifications.

Rate limits are established for direct care, other direct care, and indirect care and the facility receives the lesser of the established rate for the category or the limit rate. Until a new base period is established, these limit rates are adjusted annually by the inflation rate established by the Legislature for nursing home services. According to N.D.C.C. 50-24.4-10(7)a new base period must be established every 4 years beginning with the cost report period June 30, 2006. A new base period means that the limits are adjusted for the applicable rate year based on the cost report period identified. The June 30, 2010 cost report was used to establish the limits applicable to the 2013 rate year. For direct care and other direct care the limits are adjusted by arranging the facilities by cost, selecting the facility at the mid-point (median facility) and then adding 20% to the cost of the median facility. For indirect care the limits are adjusted by arranging the facilities by cost, selecting the facility at the mid-point (median facility) and then adding 10% to the cost of the median facility.

Factors that may affect rates are: occupancy, case mix, inflation, limits, when limits are rebased, new property, upper payment limit, and one-time adjustments (e.g. 7/1/09 salary and benefit pass through).

Direct Care Rate is based on costs associated with nursing and therapy services (compensation, supplies, equipment and training). The direct care rate is limited to the lesser of a facility's actual rate or a limit rate. The limit rate as of January 1, 2013 is $151.19 per day.

Other Direct Care Rate is based on costs for food, dietary supplements, laundry, social service and activities. The other direct care rate is limited to the lesser of a facility's actual rate or a limit rate. The limit rate as of January 1, 2013 is $25.46 per day.

Indirect Care Rate includes costs associated with administration, plant operation, housekeeping, dietary, chaplain, pharmacy services and medical records. The indirect care rate is limited to the lesser of a facility's actual rate or a limit rate. The limit rate as of January 1, 2013 is $65.13 per day.

Property Rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs, and reasonable legal expenses. This rate is not subject to any

limitations and no inflation factor is applied to historical costs. Property rates for the 2013 rate year range from $2.71 to $83.74 per day.

Operating Margin provides a 3% increase to the direct care and other direct care rates as an operating margin for all facilities. The operating margin is determined using the lesser of historical costs for direct care and other direct care or the limit rates for direct care and other direct care effective at the cost report year-end. The operating margin relating to direct care costs does not vary by classification.

Incentive is included as part of the rate for a facility that has an actual indirect care rate which is less than the limit rate for indirect care as of the cost report year-end. The incentive is calculated at 70% of the difference between the facility's actual rate without inflation and the limit rate as of the cost report year-end for indirect care, up to a maximum of $2.60 per day.

Note: In accordance with N.D.C.C. 50-24.4-19(1) the ratesetting principles apply to both Medicaid and private pay residents.

HB 1012
2/1/2013
Attachment # 10

Health Care Trust Fund
Status Statement

	Actual 1999 - 2001		Actual 2001 - 2003		Actual 2003 - 2005		Actual 2005-2007		Actual for 2007-2009		Actual for 2009-2011		Estimated for 2011-2013		Estimated for 2013-2015	
ginning Balance		$ -		$39,147,532		$33,153,183		$20,134,411		$2,821,191		$3,484,946		$420,036		$396,784
venue:																
April 2000 pool payment	$25,902,739															
Sept. 2000 pool payment	17,340,685															
August 2001 pool payment			$15,398,174													
July 2002 pool payment			19,572,291													
Net interest earnings / (loss)	2,171,632		(1,442,407)		2,313,279		1,808,207		136,644		23,429		7,633		2,334	
July 2003 pool payment					13,646,405											
July 2004 pool payment					6,349,417											
Principal and interest repayments			329,314		1,182,277		988,573		1,131,466		1,086,167		1,070,901		1,026,297	
Total Revenue		45,415,056		33,857,372		23,491,378		2,796,780		1,268,110		1,109,596		1,078,534		1,028,631
penditures:																
pt. of Human Services																
SPED	(4,262,410)		(6,898,302)													
Loans	(701,477)		(10,859,661)													
Grants	(445,937)		(8,182)													
Administrative costs	(57,700)		(58,830)													
Special Payment to Govt Facilities	(800,000)															
HIPAA			(2,632,773)													
Nursing home bed reduction			(3,435,874)													
Nursing facility			(8,997,758)													
Basic care facility			(382,080)													
Personal care allowance - ICFMR			(43,200)													
Mill levy			(250,000)													
Targeted case management			(139,542)													
Independent living centers			(100,000)													
QSP training grants			(24,158)													
Long term care needs assessment			(237,285)													
Deficiency appropriation			(5,244,576)													
Transfer to State General Fund					(35,990,650)		(16,900,000)									
Provider Inflationary Increase - 0.65%							(3,001,852)									
DD provider Increase							(198,148)									
Nursing Home Provider Inflationary Increase									(525,597)							
Health Care Trust Funding NH											(3,800,000)					
Nursing Facility Bed Limit											(324,506)					
Remodel of assisted living and basic care grant																
Grant for Dunsieth Nursing Facility													(200,000)			
Grant for McVille Hospital													(200,000)			
HB 1325 48 month bed layaway program													(546,786)			
ealth Department																
Quick response unit pilot project			(50,000)		(30,000)		(10,000)		(5,000)		(50,000)					
Nursing student loan repayment			(489,500)		(489,500)											
Evaluate State Trauma System									(73,758)							
Nurse Aid Registry (HB 1041)													(155,000)		(167,725)	
Total Expenditures		(6,267,524)		(39,851,721)		(36,510,150)		(20,110,000)		(604,355)		(4,174,506)		(1,101,786)		(167,725)
nding Balance		$39,147,532		$33,153,183		$20,134,411		$2,821,191		$3,484,946		$420,036		$396,784		$1,257,690

HB 1012
2/1/2013
Attachment # 11

Department of Human Services

2011-13 Oil Patch Add-On

Paid April 2012 Through January 2013

Pay Period	Total
April 2012	26,248
May 2012	25,082
June 2012	25,408
July 2012	24,526
August 2012	25,507
September 2012	25,413
October 2012	25,174
November 2012	24,754
December 2012	24,354
January 2013 (Will be paid February 1, 2013)	23,150

Total	**249,616**

HB 1012
2/1/2013
Attachment #12

Department of Human Services
Federal Grant Match and Maintenance of Effort Requirements (MOE)

Program Name/Description	Amount Included in the 2013-15 Budget	Non-Federal Match	Federal Fiscal Year 2013 MOE	MOE Description
Medicaid	961,948,001			
Administration		50%		
Administration-Professional Services		25%		
Grants		FMAP		
IT System Projects, Family Planning, HIT-Implementation		10%		
Indian Health Services, HIT-Incentives & Refugee Assistance		0%		
Womens Way		Enhanced FMAP		
Temporary Assistance for Needy Families	61,010,449		9,069,286	Constant amount
Childrens Health Insurance Program	37,191,561	Enhanced FMAP		
IV-E Foster Care and Subsidized Adoption	32,537,999			
Administration		50%		
Training		75%		
Grants		FMAP		
Vocational Rehabilitation - Basic Support	24,167,676		3,015,600	Equal to the non-federal expenditures from 2 years prior. For example the FFY 2013 MOE would be equal to the non-federal expenditures from the FFY 2011 grant year.
Basic Support		21.30%		
In Service Training		10%		
Independent Living		10%		
Older Blind		10%		
Child Support	22,015,035	34%	1,327,489	Constant amount / the match also counts as the MOE
Substance Abuse Prevention and Treatment	10,675,482		11,064,892	Equal to average of non-federal expenditures during the two previous years
Child Care Development Fund	10,331,983	0% and FMAP	1,017,036	Constant amount - counts as both Child Care and TANF
Aging Administration	7,477,412			
Administration		25%		
Title III B - Community Services		15%	2,740,320	Average of three previous years non-federal expenditures
Family Caregiver		25%		
Preventive Health		15%		
Senior Employment		10%		
Money Follows the Person	5,711,408			The state cannot spend less on Home and Community Based Services (as defined by the MFP Federal Program) then the state spent in the base year of Federal Fiscal Year 2006.
Administration		0% or 50%		
Services		Enhanced FMAP or FMAP		

Department of Human Services
Federal Grant Match and Maintenance of Effort Requirements (MOE)

Program Name/Description	Amount Included in the 2013-15 Budget	Non-Federal Match	Federal Fiscal Year 2013 MOE	MOE Description
Supplemental Nutrition Assistance Program - Administration	4,277,111			
Administration		50%		
Certification and EBT Issuance (Tribal Lands)		25%		
Certification and EBT Issuance (Non-Tribal Lands)		50%		
State Exchange		0%		
Employment and Training Participation Payments		0% or 50%		
Mental Health Block Grant	1,575,718		19,274,649	Equal to average of non-federal expenditures during the two previous years
Children and Family Services				
Child Welfare Services	1,335,619	25%		
Independent Living IV-E	1,161,498	20%		
Promoting Safe and Stable Families	675,808	25%		
Child Abuse - Challenge Grant	406,533	20%		
Education and Training Vouchers	235,030	20%		
Head Start Collaboration	201,734	20%		
Projects for Assistance in Transition from Homelessness	596,325	33%	446,694	Equal to average of non-federal expenditures during the two previous years
Access and Visitation	200,000	10%		
Mental Health Data Infrastructure	51,647	50%		
Total Federal Funds with Match or MOE Requirement	1,183,784,029			

Supplemental Nutrition Assistance Program - Benefits	201,289,482
LIHEAP	42,368,941
Child Care Development Funds - Discretionary Funds	9,475,552
Strategic Prevention Framework	9,350,000
Disability Determination Services	7,797,945
Social Service Block Grant	7,365,396
Aging - Congregate Meals, Service Incentives an Home Delivered Meals	6,952,228
Part C	5,000,096
Children and Family Services - Miscellaneous Grants	3,919,190
Refugee Assistance	2,950,970
Supplemental Nutrition Assistance Program - Nutrition Education Plan	2,310,000
Vocational Rehabilitation - Miscellaneous Grants	1,792,398
Developmental Disabilities Council	968,378
Aging Services - Miscellaneous Grants	807,697
Mental Health / Substance - Miscellaneous Grants	557,967
Remaining Federal Funding Sources with no match or MOE Requirements	2,128,015
Total Federal Funds with no Match or MOE Requirement	305,034,255

Total Federal Funds in 2013-15 Budget	1,488,818,284

FMAP Rates

Final FFY 2013	52.27%
Final FFY 2014	50.00%
Est. FFY 2015	50.00%

Enhanced FMAP Rates

Final FFY 2013	66.59%
Final FFY 2014	65.00%
Est. FFY 2015	65.00%

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HB 1012
2/1/2013
ATTACHMENT #13

Prepared by the North Dakota Legislative Council staff

January 2013

FUNDING RELATED TO OIL AND GAS DEVELOPMENT ACTIVITIES

The schedule provides information on specified funding identified in the 2013-15 executive budget relating to oil and gas development activities. Other funding may be included for programs and services in areas affected by oil and gas development, but the amounts are not identified separately from amounts provided for the remainder of the state as well.

	Appropriations		
Agency/Purpose of Funding	**General Fund**	**Other Funds**	**Total**
Secretary of State			
3 FTE positions for business registration unit and business information	$283,754		$283,754
State Auditor			
1 FTE minerals royalty auditor position		$164,321	$164,321
Attorney General			
3 FTE positions for oil-impacted areas	$457,146	$69,650	$526,796
1 FTE organized crime investigator position		211,471	211,471
1 FTE attorney position		239,853	239,853
Salary subsidies for employees living in oil-impacted areas	78,210		78,210
Housing subsidies for employees living in oil-impacted areas	56,880		56,880
Total Attorney General	$592,236	$520,974	$1,113,210
Tax Department			
Housing subsidies for employees living in oil-impacted areas	$12,480		$12,480
Salary subsidies for employees living in oil-impacted areas	99,884		99,884
Total Tax Department	$112,364		$112,364
Judicial Branch			
8 FTE deputy clerks of court	$1,075,288		$1,075,288
2 FTE juvenile court officers	342,092		342,092
1 FTE court facilitator	216,733		216,733
4 FTE technology coordinators	631,444		631,444
Total Judicial Branch	$2,265,557		$2,265,557
Commission on Legal Counsel for Indigents			
1 FTE attorney	$192,859		$192,859
2 FTE legal assistants	229,294		229,294
Oil impact operating expense increase	1,100,000	$500,000	1,600,000
Total Commission on Legal Counsel for Indigents	$1,522,153	$500,000	$2,022,153
Department of Trust Lands			
2 FTE positions for Energy Impact Office		$384,138	$384,138
4.25 FTE positions for lands and minerals management		655,440	655,440
Energy impact grants to airports		60,000,000	60,000,000
Energy impact grants to higher education		4,000,000	4,000,000
Energy impact grants (current program)		100,000,000	100,000,000
Expand current energy impact grant program		50,000,000	50,000,000
Total Department of Trust Lands		$215,039,578	$215,039,578
State Department of Health			
9 FTE positions in air quality to meet increased demands in the oil-impacted areas	$1,761,604	$390,490	$2,152,094
Grants to local public health units in the oil-impacted areas	1,184,000		1,184,000
Total State Department of Health	$2,945,604	$390,490	$3,336,094
Department of Human Services			
Salary subsidies for employees living in areas affected by energy development	$3,253,008	$514,992	$3,768,000
Job Service North Dakota			
Salary subsidies for employees living in oil-impacted areas	$127,829		$127,829

Industrial Commission			
23.69 new FTE positions associated with oil development	$4,238,873	$78,159	$4,317,032
One-time funding for possible litigation relating to hydraulic fracturing	1,000,000		1,000,000
Oil-bearing rock study	80,000		80,000
Temperature profile study	50,000		50,000
Housing subsidies for employees in oil-impacted areas	400,000		400,000
Total Industrial Commission	$5,768,873	$78,159	$5,847,032
Labor Department			
1 FTE compliance investigator	$91,159	$19,813	$110,972
Workforce Safety and Insurance			
7 new FTE positions as a result of energy development and construction activity in the state		$1,278,726	$1,278,726
Highway Patrol			
Housing subsidies for employees living in oil-impacted areas	$261,000	$39,000	$300,000
15 new FTE trooper positions and related operating expenses	3,386,684	506,056	3,892,740
Total Highway Patrol	$3,647,684	$545,056	$4,192,740
Department of Corrections and Rehabilitation			
Housing subsidies for employees living in oil-impacted areas	$78,000		$78,000
Salary subsidies for employees living in oil-impacted areas	188,352		188,352
Total Department of Corrections and Rehabilitation	$266,352		$266,352
State Historical Society			
Salary subsidies for employees living in oil-impacted areas	$50,000		$50,000
Game and Fish Department			
Rent allowance program for employees living in oil-impacted areas		$200,000	$200,000
State Water Commission			
1 FTE water resource engineer position to address the increase in water permit applications	$164,430		$164,430
1 FTE water resource project manager position to address the backlog of conditional water permit inspections	143,026		143,026
Total State Water Commission	$307,456		$307,456
Department of Transportation			
Enhanced state roadway investments in areas affected by energy development		$1,161,600,000	$1,161,600,000
16 FTE positions, including 5 FTE engineers, 4 FTE transportation technicians, 4 FTE motor vehicle licensing specialists, 2 FTE driver's license supervisors, and 1 FTE accounting/budget specialist		2,411,973	2,411,973
Funding for county and township road projects in areas affected by energy development		142,000,000	142,000,000
Salary enhancements for employees living in areas affected by energy development		2,544,999	2,544,999
Rental assistance for employees living in oil-impacted areas		1,100,000	1,100,000
Total Department of Transportation		$1,309,656,972	$1,309,656,972
Total all agencies	**$21,234,029**	**$1,528,909,081**	**$1,550,143,110**

REVENUE ALLOCATIONS

The executive budget recommends increasing the counties' share of oil and gas gross production tax revenue by approximately $232.8 million, to $520,335,000, by allowing oil-producing counties to receive 100 percent of the first $5 million in oil revenue each year and 25 percent of any additional revenue.

HB 1012
2/4/2013
Attachment #1

Community of Care – rural Cass County

Community of Care is a model on the forefront of care for seniors in North Dakota. We believe this is a model which can be replicated in other parts of the state and we are willing to share our model and expertise with other locations. The state funding has been, and continues to be, crucial in our ability to serve clients. Keeping seniors in their homes is a more cost effective means of care and a significant return on investment for the state of North Dakota

WHAT HAS BEEN ACCOMPLISHED IN THE CURRENT BIENNIUM?

2011-2013 Accomplishments (reported results are based on calendar years)

	2011	**2012**
Client Contacts	691 from 26 ND Communities	1,169 from 29 ND Communities
Total Number of Clients Served	321	364
Medicare Part D Drug Plan Clients Served	194	238
Total Medicare Part D Savings to clients	$41,754	$134,154
Medicare Part D Savings per client	$215	$565
Number of Volunteers	102	131
Volunteer Program Miles Driven by Volunteers	11,817	12,481
% of miles driven for Medical Appointments	97%	99%
Clients Service Hours (minor home repair, yard work, etc.)	145	672
Board Volunteer Hours	309	416
Economic Impact of Volunteer Services (hours & miles)	$33,797	$48,462
Money Raised through Local Fundraisers	$67,587	$77,283
Local Grants Received	$24,100	$24,000
United Way of Cass Clay	$20,000	$20,000

The average cost of a nursing home in North Dakota is $75,132/year (source: Genworth Insurance).
The average Social Security Benefit in North Dakota is $12,759/year (source: AARP).
The personal care allowance is $600/person/year.

The Medicaid cost to the state of North Dakota for 1 person in nursing home care, would have been $61,773 in 2012.

At the Arthur Good Samaritan Home, 48 residents (current & former) were on Medicaid in 2012 and the annual Medicaid payment was $1.64 million. Of the current residents 65.4% are on Medicaid.

2011 Partnered With

- Good Samaritan Society
- United Way of Cass Clay for " Day of Action" and "Day of Caring"
- Casselton Business Association to sponsor Senior Day Programming
- Northern Cass Ecumenical Parish Nurse Program

2012 Partnered With

- Good Samaritan Society
- United Way of Cass Clay for "Day of Caring"
- Essentia Health to sponsor "Stepping On" Class
- Casselton Business Association to sponsor Senior Day Programming
- Arthur Good Samaritan to sponsor "Bone Builders" class
- Central Cass 7th grade class to do spring clean-up
- NDSU Department of Human Development & Education – supervise college intern
- Concordia College Health Communications Class - develop marketing plan
- Northern Cass Ecumenical Parish Nurse Program

Local Fundraising Events

- 2011 & 2012 – Membership Drive, 4th & 5th Annual Totally Table Event and Giving Hearts Day
- 2012 – 1st Annual Classic Car/Motorcycle Cruise

2012 Organizational Enhancements

- Implemented Client Documentation Software for more efficient and detailed gathering of data
- Updated website to provide more information online for clients and their families and for greater visibility

WHAT ARE YOU PLANNING TO ACCOMPLISH IN THE NEXT BIENNIUM?

Goals for 2013-2015 Biennium

1) **Increase number of clients served**
    a. Serving greater number of clients from throughout the county
    b. Increase the number of services provided for each client (ex. Clients currently receiving Medicare Part D drug plan enrollment will request services in additional areas)
    c. Provide transportation to medical appointments for additional clients from throughout the county. Transportation to doctor's appointment is critical for seniors to remain in their homes. On on-going goal is continually increase the number of residents receiving safe transportation.
2) **Increase number of volunteers**
    a. Increase the number of transportation volunteers from throughout the county
    b. Expand the demographics of volunteers – currently most volunteers are retired, we want to broaden the pool of volunteers to include younger residents, stay-at-home moms, and teachers during summer vacation, etc.
3) **Development of Faith Community Nurse Program** – this is a new program in our services and will develop and grow over the next 2 years
    a. As our Faith Community Nurse provides additional outreach services to seniors, our goal is to provide preventative care resulting in healthier seniors allowing them to remain in their homes and communities
4) **Increase participation in Exercise Programs**
    a. Research shows that exercise improves the physical and mental health of seniors. The socialization involved in these programs is also beneficial to overall health. Rural seniors often experience depression and loneliness, resulting in additional health concerns
5) **Partnership with UND School of Nursing**
    a. We are currently working with the Dean of the UND School of Nursing to sponsor a wellness fair in northern Cass County.
    b. The goal is to provide preventative care screenings for our residents and rural health experience for the nursing students
6) **Sponsorship of an Adult Children of Aging Parents Conference**
    a. We are experiencing increasing numbers of adult children requesting information and referrals through our office. Partnering with other local agencies and professionals to sponsor a conference to assist adult children in caring for their parents in order to keep them in their rural Cass County homes is an on-going goal
7) **Development of Evaluation Tool**
    a. Community of Care is working with an NDSU faculty member to develop an evaluation tool to further assess the impact of our services – both intrinsically for our clients and financially for our stakeholders
    b. On on-going goal is to assess the economic impact on rural communities when older adults move away from the community due to concerns related to aging.

AN OVERALL DESCRIPTION OF THE PROGRAM AND THE SERVICES PROVIDED.

Community of Care's goal is to "enhance the quality of life of seniors in rural Cass County to keep them in their homes and communities as long as safely possible".

We serve all of rural Cass County and have offices in Arthur and Casselton. Our services are provided in 4 basic areas:

ONE STOP SERVICE CENTER – staffed by a licensed Social Worker. Assist local residents and their families. A growing service area is Adult Children of Aging Parents

- Information – clients call or stop in office to receive information on a wide range of services
- Referrals for services – Social Worker provides referrals to other agencies or organizations (ex. Arranged funding and building of a wheelchair ramp)
- Help completing paperwork for fuel/food assistance or Social Security Disability
- Medicare Part D Drug Plan Enrollment
- Care Coordination – Social Worker works with various agencies to coordinate services for clients

FAITH COMMUNITY NURSE PROGRAM – staffed by a licensed RN. We received a Sanford Health step-down grant in 2012 to fund this 15 hour/week position. Focus on preventative care through outreach.

- Home Visitation – Individual assistance with health issues, referrals for medical care, follow-up care after hospitalization, etc.
- Health Counseling & Education – providing classes for older adults individually or in groups with information on health concerns/issues, nutrition, preventative care, etc.
- Health Referrals & Resources – work with Social Worker to provide information and referrals for clients and their family members
- Coordinates Exercise Program – oversee programs that strengthen older adults as a preventative means of health care
- Blood Pressure Screenings – coordinate medical volunteers in local communities and churches to provide monthly blood pressure screenings for preventative care and to discuss additional health concerns

VOLUNTEER PROGRAM – staffed by part-time Volunteer Coordinator

- Transportation to Medical Appointments – Staff member coordinates volunteer transportation team to bring clients to medical appointments
- Social Transportation – coordination of rides to church, seniors groups, in-town activities, etc.
- Minor Home Repair – coordination of repairs to increase safety for seniors (install grab bars, change light bulb, shovel snow, etc.)
- Yard Work – coordination of volunteers to assist seniors with lawn care, window washing, clearing gutters, spring clean-up and winter preparations
- Friendly Visits – coordination of volunteers to visit seniors with the goal of checking on them and reducing loneliness
- Assistance with errands – coordination of volunteers to assist with grocery shopping, picking up prescriptions or mail, etc.

SUPPORT AND EDUCATION

- Caregiver Support Group – coordinate monthly meetings for caregivers
- BeFriender Group – coordination of local volunteers serving as caring listeners for residents facing difficult life situations (grief, medical diagnosis, loneliness, etc.)
- Presentations to senior citizen groups, civic groups, church groups, etc.
- Resource Libraries – available in 4 rural Cass County communities, our offices and online

HOW MANY PEOPLE DO YOU SERVE?

Community of Care's services and programs are available for any senior or other person in need in rural Cass County. In 2012, we provided 1,169 client contacts for 364 unduplicated clients from 29 North Dakota communities. The vast majority of these clients are 65 and older.

A COPY OF YOUR ANNUAL BUDGET.

See attached copy

DOES COMMUNITY OF CARE HAVE ANY QUALIFIED SERVICE PROVIDERS ENROLLED TO BILL FOR SERVICES?

Community of Care does not have any Qualified Service Providers enrolled to bill for services.

INCOME			EXPENSES		
SOURCE	**2013 AMOUNT**		**SOURCE**	**2013 AMOUNT**	
Arthur Area Foundation	$ 8,000.00		Background Checks	$ 200.00	
SERVE Foundation	$ 3,000.00		Business Expenses	$ 100.00	
F-M Area Women's Fnd.	$ 1,000.00		Car/Bike Cruise	$ 1,500.00	
F-M Area Foundations	$ 3,000.00		Contract Services	$ 1,500.00	
DHS	$ 60,000.00		Direct Service Expense	$ 1,000.00	
Dakota Medical Fnd.	$ 3,000.00		Dues	$ 1,500.00	
Other Grants	$ 2,000.00		Equipment	$ 500.00	
United Way of Cass Clay	$ 26,000.00		Evaluation/Client Software	$ 1,000.00	
Casselton Endowment Fund	$ 2,000.00		Faith Community Nurse (pd. Sanford Grant)	$ 18,000.00	
Totally Tables	$ 22,000.00		Giving Hearts Day Expense	$ 300.00	
Membership	$ 22,000.00		In Kind Expense	$ 500.00	
Charitable Contributions	$ 7,000.00		Insurance	$ 3,000.00	
Giving Hearts Day	$ 18,000.00		Licenses	$ 225.00	
Car/Bike Cruise	$ 7,000.00		Newsletter	$ 7,500.00	
Direct Services Donations	$ 3,240.00		Marketing	$ 3,500.00	
In Kind Revenue	$ 500.00		Meeting Expenses	$ 1,200.00	
Interest Income	$ 20.00		Payroll Expenses	$ 127,612.26	
Sanford Faith Community Nurse Grant	$ 16,125.00		Peak NFP	$ 1,750.00	
	$ 203,885.00		Postage/Shipping	$ 1,000.00	
			Publications	$ 33.00	
			Rent (2 offices)	$ 5,700.00	
			Reserves	$ 7,290.74	
			Staff Development	$ 1,000.00	
			Supplies	$ 4,000.00	
			Web hosting	$ 474.00	
			Telephone (2 offices)	$ 4,500.00	
			Totally Table Expense	$ 4,000.00	
			Travel	$ 5,000.00	
			TOTAL	**$ 203,885.00**	

Community of Care

Offices in Arthur & Casselton
www.communityofcarend.com

Serving rural Cass County

Our goal is to enhance the quality of life of rural Cass County seniors in order to keep them in their homes & communities as long as safely possible.

One Stop Service Centers

- Referrals
- Care Coordination
- Assistance with forms & paperwork
- Medicare Part D Drug Plan enrollment

Volunteer Program

- Transportation to medical appointments
- Minor Home Repair, Yard Work, Friendly visits

Faith Community Nurse Program

- Preventative Care
- Health Counseling & Education
- Health Referrals and Resources
- Health Support Facilitator
- Exercise Programs

Education & Support

- Caregiver Support Group
- BeFriender program
- Resource Libraries
- Presentations

As the population in North Dakota ages, the need for services to keep seniors in their homes as long as safely possible continues to increase. Community of Care provides these services more cost effectively, while keeping people in their homes.

2012 Summary of Services

- 12,481 miles driven & 668 hours of service providing transportation – 99% for medical appointments
- 3,317 miles driven & 672 hours of service doing minor home repair, yard work for clients & by college interns/classes
- 9,764 miles & 416 hours of services provided by Board of Directors
- Economic impact of all volunteer work in 2012 is $48,462.23
- 1,169 Client Service contacts
  - 11% new clients in 2012
  - Clients from 29 ND communities
  - 48% of clients served by One Stop Service Center

Special points of interest:

- Community of Care is a model on the forefront of care for rural North Dakota seniors
- This is a model that can be replicated in other counties in North Dakota
- Services provided help maintain a standard of living and limit outmigration of seniors
- Local residents support the program as volunteers & through financial support
- Services provided assist caregivers & adult children of aging parents

Community of Care 701/347-0032
Myrna Hanson, Executive Director
mhanson@communityofcarend.com

HB 1012
2/4/2013
Attachment #2

13.9554.02000

Prepared by the North Dakota Legislative Council staff

January 2013

SUPPLEMENT TO THE STATE AGENCY VACANT POSITION REPORT (JANUARY 2013)

The following schedule identifies state agency positions vacant as of November 30, 2012, but filled in December 2012:

Position No.	FTE	Position Description	Date Vacated	Months Vacant December 2012	Date Filled
108 - Secretary of State					
00000033	1.00	Administrative Assistant I	10/16/12	1	12/10/12
110 - Office of Management and Budget					
27325	1.00	Human Resource Officer II	12/12	12	12/28/12
112 - Information Technology Department					
311	1.00	Senior Programmer Analyst	7/11	17	12/1/12
28739	1.00	Programmer/Analyst I	2/12	10	12/3/12
28740	1.00	Programmer	2/12	10	12/3/12
218	1.00	Telecom Technician III	11/12	1	12/19/12
28765	1.00	Research Analyst II	11/12	1	12/19/12
127 - Tax Commissioner					
834	1.00	Office Assistant II	9/12	2	12/3/12
201 - Department of Public Instruction					
25423	1.00	Assistant Director, Primary/Secondary Education	8/12	4	12/12
252 - North Dakota School for the Deaf					
1545	0.78	Dormitory Counselor	11/3/12	1	12/3/12
270 - Department of Career and Technical Education					
1628	1.00	Assistant Supervisor	8/3/12	3	12/1/12
301 - State Department of Health					
1705	1.00	Environmental Engineer III	9/12	3	12/21/12
1887	1.00	Administrative Assistant	11/12	1	12/27/12
1940	1.00	Environmental Scientist II	9/12	3	12/3/12
28813	1.00	Environmental Scientist II	10/12	2	12/12/12
28814	1.00	Environmental Scientist II	10/12	2	12/24/12
313 - Veterans' Home					
3084	0.80	Resident Living Specialist	11/10/12	1	12/6/12
3111	0.60	Resident Living Specialist II	5/28/12	6	12/1/12
325 - Department of Human Services					
00002273	1.00	Computer/Network Specialist II	11/12	1	12/6/12
00003247	1.00	Human Service Program Administrator II	11/12	1	12/3/12
00003361	1.00	Human Service Program Administrator III	4/12	8	12/4/12
00025818	1.00	Office Assistant III	11/12	1	12/18/12
00003771	1.00	Human Service Program Administrator V	7/12	5	12/3/12
00003240	1.00	Administrative Assistant I	11/12	1	12/13/12
00028610	1.00	Human Service Program Administrator IV	N/A	0	12/5/12
00003629	1.00	MI Case Manager II	11/12	1	12/17/12
00004261	1.00	Direct Care Associate III	11/12	1	12/1/12
00004405	1.00	MI Case Manager II	9/12	3	12/3/12
00002063	1.00	Registered Nurse II	6/12	6	12/10/12
00004270	1.00	Direct Care Associate III	11/12	1	12/17/12
00003986	1.00	Human Service Program Administrator III	12/12	0	12/17/12
00004212	1.00	Human Relations Counselor	9/12	3	12/17/12
00004231	1.00	Human Service Program Administrator VI	11/12	1	12/17/12

Position No.	FTE	Position Description	Date Vacated	Months Vacant December 2012	Date Filled
00002852	1.00	Human Service Aide II	11/12	1	12/31/12
00003948	1.00	Pharmacy Technician	8/12	4	12/19/12
00004422	1.00	Office Assistant III	11/12	1	12/26/12
00002194	1.00	Direct Care Supervisor	11/12	1	12/1/12
00002855	1.00	Licensed Practical Nurse I	9/12	3	12/17/12
00002948	0.50	Office Assistant III	8/12	4	12/3/12
00026436	1.00	Security Officer I	11/12	1	12/3/12
00002033	1.00	Direct Care Associate I	9/12	3	12/10/12
00002398	1.00	Direct Care Associate I	8/12	4	12/17/12
00002466	1.00	Direct Care Associate I	8/12	4	12/17/12
00002265	1.00	Unit Program Coordinator	11/12	1	12/1/12
00024597	1.00	Direct Care Associate I	6/12	6	12/17/12
00002419	1.00	Direct Care Supervisor	11/12	1	12/17/12
405 - Industrial Commission					
		Department of Mineral Resources Oil and Gas Division			
4969	1.00	Other - Not classified - Professional	7/1/12	4	12/3/12
28758	1.00	Engineering Technician IV	New position 5/1/12	7	12/3/12
413 - Department of Financial Institutions					
5047	1.00	Financial Examiner II	8/12	4	12/3/12
471 - Bank of North Dakota					
10412	0.50	Office Assistant II	1/11	23	1/1/13
485 - Workforce Safety and Insurance					
5129	1.00	Premium Auditor	9/12	2	12/3/12
5109	1.00	Collection Specialist	11/12	1	1/2/12
5275	1.00	Claims Adjuster	11/12	0	12/1/12
27353	1.00	Vocational Rehabilitation Counselor II	11/12	1	1/14/13
5229	1.00	Utilization Review Nurse	11/12	1	1/1/13
530 - Department of Corrections and Rehabilitation					
5753	1.00	Correctional Officer II	11/12	0	12/1/12
5935	1.00	Correctional Officer II	11/12	0	12/1/12
6003	1.00	Correctional Officer II	11/12	0	12/1/12
5862	1.00	Addiction Counselor III	10/12	2	12/1/12
504 - Highway Patrol					
5478	1.00	Safety Auditor I	9/12	3	12/1/12
540 - Adjutant General, including National Guard and Department of Emergency Services					
6150	1.00	Maintenance Supervisor II	10/12	2	12/10/12
6231	1.00	National Guard Security/Firefighter	6/12	6	12/1/12
26151	1.00	NG Energy Conservation Program Manager	3/12	9	12/21/12
28362	1.00	NG Security/Firefighter	10/12	2	12/1/12
601 - Department of Commerce					
6281	1.00	Other - Not classified - Professional	5/12	7	12/1/12
602 - Agriculture Commissioner					
6337	1.00	Agri Marketing Specialist I	6/12	6	12/18/12
630 - North Dakota State University Extension Service					
20793	0.50	Assistant to VP & Dean	6/12	6	12/20/12
21556	1.00	Extension Agent/Griggs County	8/12	4	12/31/12
19435	1.00	Extension Agent/Traill County	9/12	3	12/31/12
640 - Main Research Center					
18681	0.60	Administrative Secretary	9/12	2	12/3/12
20693	1.00	Chemist	8/12	3	12/30/12

Position No.	FTE	Position Description	Date Vacated	Months Vacant December 2012	Date Filled
25015	1.00	Research Laboratory Technician	8/12	3	12/17/12
770 - State Water Commission					
6754	1.00	Hydrologist III	11/12	1	12/1/12
6770	1.00	Administrative Assistant II	10/12	2	12/3/12
801 - Department of Transportation					
7765	1.00	Engineering Tech II, Williston	7/12	5	12/3/12
7782	1.00	Transportation Engineer III, Fargo	8/12	3.5	12/1/12
7612	1.00	Transportation Tech I, Grand Forks	9/12	2.5	12/3/12
7453	1.00	Transportation Tech I, Fargo	11/12	1	12/3/12
Total	75.28				

The following schedule identifies positions vacant as of October 31, 2012, but filled in November 2012:

Position No.	FTE	Position Description	Date Vacated	Number of Months Vacant November 2012	Date Filled
112 - Information Technology Department					
4244	1.00	Systems Analyst I	8/12	3	11/1/12
252	1.00	Computer Production Operator II	10/12	1	11/1/12
125 - Attorney General					
27467	1.00	Administrative Assistant II	9/17/12	1.5	11/20/12
201 - Department of Public Instruction					
1324	1.00	Education Program Admin I	8/12	3	11/12
301 - State Department of Health					
1935	1.00	Environmental Scientist II	6/11	17	11/1/12
313 - Veterans' Home					
3030	0.80	Resident Living Specialist	10/16/12	1	11/10/12
325 - Department of Human Services					
00003390	1.00	Chief Financial Officer - DHS	6/12	5	11/19/12
00003283	1.00	Human Service Program Administrator III	9/12	2	11/13/12
00002058	1.00	Administrative Assistant II	9/12	2	11/26/12
00025830	1.00	Administrative Assistant I	10/12	1	11/7/12
00003503	1.00	Administrative Assistant I	9/12	2	11/1/12
00003521	1.00	MI Case Manager II	10/12	1	11/1/12
00004138	0.80	Registered Nurse II	9/12	2	11/19/12
00004145	1.00	Activity Therapist II	10/12	1	11/26/12
00003801	1.00	Licensed Exempt Psych I	6/12	5	11/19/12
00003973	1.00	Behavior Modification Specialist II	7/12	4	11/15/12
00002441	1.00	DD Case Manager II	3/12	8	11/15/12
00002459	1.00	DD Case Manager II	3/12	8	11/1/12
00002287	1.00	DD Case Manager II	3/12	8	11/1/12
00003696	1.00	Addiction Counselor II	9/12	2	11/19/12
00003702	1.00	Administrative Assistant I	10/12	1	11/1/12
00003933	1.00	Administrative Officer I	8/12	3	11/5/12
00002801	1.00	Direct Care Associate II	10/12	1	11/1/12
00026316	1.00	Direct Care Associate II	10/12	1	11/5/12
00002765	1.00	Direct Care Associate III	10/12	1	11/1/12
00002816	1.00	Direct Care Associate III	8/12	3	11/5/12
00024596	1.00	Direct Care Associate III	10/12	1	11/1/12
00002973	1.00	Licensed Forensic Psychologist	7/12	4	11/1/12
00002975	1.00	Licensed Practical Nurse I	5/12	6	11/1/12
00002746	1.00	Registered Nurse II	8/12	3	11/5/12
00002156	1.00	Custodian, Institutions	8/12	3	11/13/12
00002209	1.00	Direct Care Associate III	8/12	3	11/26/12
00002485	1.00	Activity Therapist III	9/12	2	11/1/12
00002389	1.00	Direct Care Associate I	5/12	6	11/5/12
00002240	1.00	Direct Care Associate I	8/12	3	11/5/12
00002404	1.00	Direct Care Associate I	8/12	3	11/5/12
00002905	1.00	Direct Care Associate I	6/12	5	11/5/12
00002879	1.00	Direct Care Associate I	6/12	5	11/5/12

Position No.	FTE	Position Description	Date Vacated	Number of Months Vacant November 2012	Date Filled
00002741	1.00	Social Worker II	6/12	5	11/26/12
380 - Job Service North Dakota					
4644	1.00	Customer Service Specialist	9/12	2	11/7/12
471 - Bank of North Dakota					
10386	1.00	Loan Officer II	11/11	12	11/9/12
10539	1.00	Trust Administrator	12/11	11	11/1/12
485 - Workforce Safety and Insurance					
5180	1.00	Safety Consultant	10/12	0	11/13/12
5222	1.00	Medical Case Manager	10/12	1	12/1/12
530 - Department of Corrections and Rehabilitation					
6036	1.00	Correctional Officer III	8/12	3	11/1/12
1376	1.00	Physical Plant Service Director II	9/12	1.5	11/1/12
25671	1.00	Office Assistant II	9/12	1	11/1/12
5776	1.00	Correctional Officer II	10/12	1	11/1/12
2836	1.00	Storekeeper I	10/12	1	11/26/12
5956	1.00	Correctional Officer II	10/12	0	11/1/12
1404	1.00	JIRS I	9/12	2.5	11/26/12
540 - Adjutant General, including National Guard and Department of Emergency Services					
24475	1.00	National Guard Security/Firefighter	8/12	3	11/15/12
602 - Agriculture Commissioner					
6312	1.00	Agriculture Program Inspector	7/12	3	11/13/12
630 - North Dakota State University Extension Service					
25970	0.60	Assistant Professor	7/11	15	11/1/12
640 - Main Research Center					
1586	1.00	Accounting Clerk I	9/12	2	11/15/12
24644	1.00	Postdoctoral Research Fellow	8/12	3	11/16/12
25969	0.35	Assistant Professor	7/11	15	11/1/12
750 - Parks and Recreation Department					
25563	1.00	Park Interpreter	5/18/12	5	11/1/12
770 - State Water Commission					
6735	1.00	Water Resource Engineer II	4/12	7	11/15/12
6749	1.00	Hydrologist Manager II	9/12	2	11/1/12
801 - Department of Transportation					
7531	1.00	Fleet & Equipment Tech II, Dickinson	7/12	4	11/1/12
6902	1.00	Drivers License Examiner Supervisor	7/12	4	11/16/12
7240	1.00	Transportation Tech I, Parshall	7/12	3.5	11/1/12
7034	1.00	Transportation Engineer III	7/12	3	11/1/12
7826	1.00	Engineering Tech IV	8/12	3	11/1/12
6907	1.00	Drivers License Examiner I, Fargo	9/12	2	11/5/12
7247	1.00	Transportation Tech II, Grand Forks	9/12	2	11/1/12

Position No.	FTE	Position Description	Date Vacated	Number of Months Vacant November 2012	Date Filled
7375	1.00	Trans Serv Supervisor II, Williston	10/12	1.5	11/16/12
7438	1.00	Transportation Tech I, Fargo	10/12	1	11/26/12
Total	67.55				

HB 1012
2/4/2013
Attachment II 3

Department of Human Services

Funding for Congregate and Home Delivered Meals, Nutririon Incentives, and State Funds to Providers for the Past Two Bienniums and the 2013-2015 Executive Budget

2013-2015 Executive Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	1,400,000	600,000		1,264,562	3,264,562
Federal	3,780,012	1,559,352	1,612,864		6,952,228
Total	5,180,012	2,159,352	1,612,864	1,264,562	10,216,790

2011-2013 Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	600,000	600,000		1,174,668	2,374,668
Federal	3,773,510	1,554,992	1,612,266		6,940,768
Total	4,373,510	2,154,992	1,612,266	1,174,668	9,315,436

2009-2011 Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	900,000			1,091,200	1,991,200
Federal	3,272,008	2,079,196	1,657,650		7,008,854
Total	4,172,008	2,079,196	1,657,650	1,091,200	9,000,054

Department of Human Services
Allocation of Funding for Urban and Rural

			WEIGHTED UNIT FACTORS (Federal requirement to target funding to these population groups)									SERVICE ALLOCATIONS		
Regions	Counties	Population 60+	1 Urban 1.0 Units	2 Total Weighted Urban	3 Rural 1.1 Units	4 Total Weighted Rural	5 Poverty 1.1 Units	6 Total Weighted Poverty	7 Minority 1.1 Units	8 Total Weighted Minority	9 Total Weighted Units	Regional Allocation by Formula	Nutrition Allocation	Health Allocation
5	Cass	21,199					907	997.7	206	226.6	1,224.3	$ 28,494	$ 28,307	$ 187
	Fargo City		15,963	15,963							15,963.0	$ 371,524	$ 369,084	$ 2,440
	Outside Fargo City				5,236	5,759.6					5,759.6	$ 134,049	$ 133,169	$ 880
6	Foster	949	-	-	949	1,043.9	89	97.9	3	3.3	1,145.1	$ 26,651	$ 23,820	$ 2,831
Statewide Totals		133,639	45,144	45,144	88,495	97,344.5	9,665	10,631.5	1,269	1,395.9	154,515.9	$ 3,596,215	$ 3,177,215	$ 419,000

Funding formula applies to nutrition and health services.

CY 2013

$ 3,177,215	Funds Available for Nutrition
$ 419,000	Funds Available for Health
$ 3,596,215	Total Funds Available for Nutrition and Health (1)
$ 23.274	Dollar Amount per Weighted Unit (2)

Total weighted units are calculated by multiplying the weighted unit, for example Rural 1.1, times the Rural population. So for Foster Rural, multiply 1.1 times 949 to arrive at 1,043.9 units.

(1) The funding formula does not include $110,000 in funding for nutrition services to older individuals on the Turtle Mountain, Fort Berthold and Standing Rock reservations.

(2) Due to rounding, some numbers will differ slightly

Department of Human Services
Calculation of Funds Available per Meal
Calendar Year 2011

Funds Provided by Aging Services Division		
Federal Funds		
Congregate Meals	$ 1,655,332	
Home Delivered Meals	$ 969,743	
Nutrition Services Incentives	$ 776,768	
Total Federal Funds		$ 3,401,843
State Funds		
State Funds to Providers	$ 578,654	
General Funds	$ 600,000	
Total State Funds		$ 1,178,654
Total Funds Provided by Aging Services		**$ 4,580,497**
Funding Provided by Other Sources		
Required Provider Match	$ 558,115	
Program Income	$ 2,910,730	
Total Funds Provided by Other Sources		**$ 3,468,845**
Total Funds Available - CY 2011		**$ 8,049,342**
Number of Meals Provided		
Congregate Meals	667,964	
Home Delivered Meals	450,151	
Total Meals Provided		**1,118,115**
Average amount of funds available per meal:		
$8,049,342 divided by 1,118,115 meals		$ 7.20

(State funds provide $4.10 per meal and funding from other sources provide $3.10 per meal)

Elderly Nutrition Program Utilization by Calendar Year				
	Congregate Meals		Home Delivered Meals	
Calendar Year	Participants	# of Meals	Participants	# of Meals
2011	13,669	667,964	4,796	450,151
2010	13,543	664,181	4,863	465,629
2009	13,490	662,985	5,038	460,754

Notes:

The State Treasurer's Office does not track how the senior mill levy match funds are used. See additional handout on senior mill levy distributions by county.

This cost per meal does not include $110,000 in funding for nutrition services to older individuals on the Turtle Mountain, Fort Berthold and Standing Rock reservations.

The addition of $800,000 of general fund for the biennium may increase the average reimbursement per meal to $7.56.

HB 1012
2/4/2013
Attachment #4

North Dakota nd.gov Official Portal for North Dakota State Government

Tomorrow's Money

Tax Distribution Search Results

Payment Date: 01/01/2012 - 01/18/2013

Distribution Type: Senior Mill/Levy Match

Payment Date	County	City	Tax Type	Amount
02/14/2012	Adams County		Senior Mill/Levy Match	6,030.52
			Total:	**$6,030.52**
02/14/2012	Barnes County		Senior Mill/Levy Match	40,204.52
			Total:	**$40,204.52**
02/14/2012	Benson County		Senior Mill/Levy Match	12,890.75
			Total:	**$12,890.75**
02/14/2012	Bottineau County		Senior Mill/Levy Match	27,509.21
			Total:	**$27,509.21**
02/14/2012	Bowman County		Senior Mill/Levy Match	11,979.08
			Total:	**$11,979.08**
02/14/2012	Burke County		Senior Mill/Levy Match	8,101.66
			Total:	**$8,101.66**
02/14/2012	Burleigh County		Senior Mill/Levy Match	200,929.83
			Total:	**$200,929.83**

02/14/2012	Cass County		Senior Mill/Levy Match	360,774.35
			Total:	**$360,774.35**
02/14/2012	Cavalier County		Senior Mill/Levy Match	22,500.57
			Total:	**$22,500.57**
02/14/2012	Dickey County		Senior Mill/Levy Match	17,257.52
			Total:	**$17,257.52**
02/14/2012	Divide County		Senior Mill/Levy Match	9,135.20
			Total:	**$9,135.20**
02/14/2012	Dunn County		Senior Mill/Levy Match	11,159.22
			Total:	**$11,159.22**
02/14/2012	Eddy County		Senior Mill/Levy Match	5,607.97
			Total:	**$5,607.97**
02/14/2012	Emmons County		Senior Mill/Levy Match	5,974.46
			Total:	**$5,974.46**
02/14/2012	Foster County		Senior Mill/Levy Match	11,124.92
			Total:	**$11,124.92**
02/14/2012	Golden Valley County		Senior Mill/Levy Match	5,132.94
			Total:	**$5,132.94**
02/14/2012	Grand Forks County		Senior Mill/Levy Match	145,110.97
			Total:	**$145,110.97**
02/14/2012	Grant County		Senior Mill/Levy Match	7,487.78
			Total:	**$7,487.78**
02/14/2012	Griggs County		Senior Mill/Levy Match	8,959.59

			Total:	**$8,959.59**
02/14/2012	Hettinger County		Senior Mill/Levy Match	8,092.96
			Total:	**$8,092.96**
02/14/2012	Kidder County		Senior Mill/Levy Match	9,227.26
			Total:	**$9,227.26**
02/14/2012	Lamoure County		Senior Mill/Levy Match	16,333.09
			Total:	**$16,333.09**
02/14/2012	Logan County		Senior Mill/Levy Match	6,441.05
			Total:	**$6,441.05**
02/14/2012	McHenry County		Senior Mill/Levy Match	19,699.91
			Total:	**$19,699.91**
02/14/2012	McIntosh County		Senior Mill/Levy Match	8,684.02
			Total:	**$8,684.02**
02/14/2012	McLean County		Senior Mill/Levy Match	28,275.01
			Total:	**$28,275.01**
02/14/2012	Mercer County		Senior Mill/Levy Match	16,660.15
			Total:	**$16,660.15**
02/14/2012	Morton County		Senior Mill/Levy Match	59,658.39
			Total:	**$59,658.39**
02/14/2012	Mountrail County		Senior Mill/Levy Match	26,906.14
			Total:	**$26,906.14**
02/14/2012	Nelson County		Senior Mill/Levy Match	12,347.89
			Total:	**$12,347.89**

02/14/2012	Oliver County		Senior Mill/Levy Match	6,363.02
			Total:	**$6,363.02**
02/14/2012	Pembina County		Senior Mill/Levy Match	29,673.09
			Total:	**$29,673.09**
02/14/2012	Pierce County		Senior Mill/Levy Match	13,245.70
			Total:	**$13,245.70**
02/14/2012	Ramsey County		Senior Mill/Levy Match	24,214.68
			Total:	**$24,214.68**
02/14/2012	Ransom County		Senior Mill/Levy Match	16,541.96
			Total:	**$16,541.96**
02/14/2012	Renville County		Senior Mill/Levy Match	9,759.86
			Total:	**$9,759.86**
02/14/2012	Richland County		Senior Mill/Levy Match	42,906.93
			Total:	**$42,906.93**
02/14/2012	Rolette County		Senior Mill/Levy Match	8,557.50
			Total:	**$8,557.50**
02/14/2012	Sargent County		Senior Mill/Levy Match	15,111.21
			Total:	**$15,111.21**
02/14/2012	Sheridan County		Senior Mill/Levy Match	5,601.00
			Total:	**$5,601.00**
02/14/2012	Sioux County		Senior Mill/Levy Match	1,879.76
			Total:	**$1,879.76**
02/14/2012	Slope County		Senior Mill/Levy Match	4,414.20

			Total:	**$4,414.20**
02/14/2012	Stark County		Senior Mill/Levy Match	50,032.95
			Total:	**$50,032.95**
02/14/2012	Steele County		Senior Mill/Levy Match	14,496.39
			Total:	**$14,496.39**
02/14/2012	Stutsman County		Senior Mill/Levy Match	47,496.76
			Total:	**$47,496.76**
02/14/2012	Towner County		Senior Mill/Levy Match	10,691.17
			Total:	**$10,691.17**
02/14/2012	Traill County		Senior Mill/Levy Match	24,122.69
			Total:	**$24,122.69**
02/14/2012	Walsh County		Senior Mill/Levy Match	28,915.91
			Total:	**$28,915.91**
02/14/2012	Ward County		Senior Mill/Levy Match	135,205.85
			Total:	**$135,205.85**
02/14/2012	Wells County		Senior Mill/Levy Match	16,158.00
			Total:	**$16,158.00**
02/14/2012	Williams County		Senior Mill/Levy Match	51,512.29
			Total:	**$51,512.29**
			Grand Total:	**$1,687,097.85**

Return New Search

600 E Boulevard Ave
Capitol Building, Dept. 120
Bismarck, ND 58505-0600

Privacy Policy
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HB 1012
2/4/2013
Attachment #5

FISCAL NOTE
Requested by Legislative Council
01/15/2013

Bill/Resolution No.: SB 2162

1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			$(1,200,000)	$1,200,000		
Expenditures						
Appropriations						

1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties		$1,200,000	
Cities			
School Districts			
Townships			

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

SB 2162 increases the amount of revenue available to counties for a matching grant from the senior citizen services and programs fund.

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

Section 1 of SB 2162 increases the amount of the grant to each eligible county equal to the actual amount levied up to one mill. Section 2 of SB 2162 allocates a larger portion of sales and motor vehicle excise tax revenues to the senior citizen services and programs fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

If enacted, SB 2162 is expected to reduce state general fund revenues by an estimated $1.2 million in the 2013-15 biennium, and increase revenues in the senior citizen services and programs fund by the same amount. This additional revenue will be distributed to qualifying counties.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

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

Name: Kathryn L. Strombeck
Agency: Office of Tax Commissioner
Telephone: 328-3402
Date Prepared: 01/19/2013

HB 1012
2/4/2013
Attachment #6

House Appropriations Committee - Human Resource Division – February 4, 2013

Requested information: Expenditures related to Autism services within DHS

Aside from the services provided through the Autism Waiver, the regional human service centers do not provide specific ASD services as the Department has not adopted this as a core service. The majority of specific ASD therapies are provided by private providers in the state.

Medicaid Autism Spectrum Disorders Waiver:

- Expenditures for direct services: July 2011 – November 2012 $222,193
- Evaluation Diagnostic Team: July 2011 – November 2012 $51,840
- Fiscal Agent: July 2011 – November 2012 $14,391

House Appropriations Committee - Human Resource Division – February 4, 2013

Requested Information: Quality process for Developmental Disability Providers

All DD providers are required to be licensed by the Department of Human Services. This process, which occurs annually, requires the provider to assure that the premises used are in fit, safe, sanitary condition, the persons in active charge of the facility are qualified, and that the health, morality, safety and the well-being of the consumers will be properly safeguarded. In addition to these assurances, the providers are required to be accredited by The Council on Quality and Leadership (CQL). Becoming and maintaining accreditation with CQL is a process that focuses on Personal Outcome Measures which promote and monitor person-centered planning.

If a provider serves consumers who reside in an Intermediate Care Facility, they are required to be certified by the Department of Health as well. Annually the Department of Health will conduct a fundamental survey to determine the quality of services and supports received by individuals. These results are part of the requirements a provider must meet to be licensed by the DD division.

In addition to the licensing and certification reviews, the regional developmental disability program managers conduct face to face visits with the consumers and/or families/guardians. During these site visits they discuss with the consumer if they are satisfied with the services they are receiving and if they have any concerns. The division which is also responsible for the licensure of the human service centers completes file reviews to ensure that these visits are completed.

Rules and regulations are identified further in NDCC 25-16-03 and NDAC 75-04.

House Appropriations Committee - Human Resource Division – February 4, 2013

Requested Information: Overview of current DD payment system:

The current retrospective system requires that an interim rate be established prior to the year in which it will be effective. Providers are required to submit a statement of budgeted costs to the department no less than annually so an interim rate may be determined. Interim rates are used for payment of services during the provider fiscal year.

Reported allowable costs are included in determining the interim and final rate. The determination of a final rate for all services begins with the reported cost of the provider's operations for that fiscal year. Providers under contract with the department to provide services to individuals with intellectual disabilities must submit to the department, no less than annually, a statement of actual costs on the cost report. In order to properly validate the accuracy and reasonableness of cost information reported by the provider, the department conducts an audit.

The final rate established is payment for all allowable, reasonable and actual costs for all elements necessary to the delivery of a basic service to eligible clients subject to limitations and cost offsets for NDAC 75-04-05. Once it has been determined that reported costs are allowable, reasonable, and client-related, those costs are compared to the reimbursements received through the interim rate. Settlements are made through a recoupment or refund to the department for an overpayment, or an additional payment to the provider for an underpayment.

New payment system:

SB 2043 of the 2011 Legislative Assembly instructed the department in conjunction with developmental disabilities service providers to develop a prospective or related payment system with an independent rate model utilizing the Supports Intensity Scale. A steering committee was established that consists of DHS employees and DD providers. In addition to the steering committee, a consultant was hired to assist the committee in the development of the new system.

The steering committee has instructed the consultant to develop a component-driven compensation structure. According to the interim report released in January by the consultant, the development of the component-driven structure involves developing a single fully loaded value for a unit of staff time spent providing services to an individual receiving them. All costs incurred by the provider agency providing the service are loaded into the value of an hour of direct care staff time. In order to identify the amount of direct care staff time needed for each consumer, the supports intensity scale assessment will be completed. This score will drive the rate by setting the hourly staffing units the person needs, and multiplying the number by the fully loaded value of that unit.

The steering committee continues to work with the consultant to develop the payment system and is planning on implementation in the 2013/2015 biennium.

House Appropriations Committee - Human Resource Division – February 4, 2013

Requested information: Department of Public Instruction information regarding Anne Carlson Center:

- State Responsible
- School year 10-11 for State Responsible Students $182,938.84 = 2 student count
- School year 11-12 for State Responsible Students $234,815.75 = 3 student count
- This amount is paid directly to ACCC for Students who are the tuition responsibility of State of North Dakota.

- Paid to Special Education Units for excess costs for students attending ACCC
- School year 10-11 $3,218,330 = 56 student count
- School year 11-12 $3,326,928 = 58 student count

- State Allowable Tuition is the amount of tuition and related services for the students at ACCC.
- District of Residence Liability is the amount of the tuition and related services which the district is responsible to pay.
- Reimbursement for Tuition is the amount of excess costs paid back to the Special Education Units for students at ACCC by DPI.

- ACCC daily tuition rates (does not including related services costs):
- 10-11 $327.35
- 11-12 $353.85

HB 1012
2/4/2013
Attachment #7

NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Resurface streets and parking lots	Streets and parking lots need to be resurfaced - include amounts for maintenance in future years.		$ 801,757	$ 100,000
Card Access System	Increased security for facility		$ 613,825	
Chip Seal Parking Lot and Street	Maintenance for asphalt installed in 2010	$ 6,000		
Replace most of the Lahaug sanitary sewer system	Sewer pipes imbedded in the Lahaug building walls are cracking/rotting, creating sewer smells. Engineer will be needed to design relacement piping. Replacement will require opening walls.	$ 100,000	$ 100,000	$ 100,000
Siding and windows for 2 houses	60 year old houses on the State Hospital campus		$ 27,000	
Overhaul Chillers (must be done every 5 years) one each biennium	May skip 2015-17 biennium	$ 30,000		$ 30,000
Rewiring and Replumbing TL Houses	Rewiring of 5 houses to replace system over 60 years old. This will require opening many walls to reach the wiring and plumbing.		$ 50,000	$ 50,000
Topographical survey of water mains and sewers	Topographical survey of all underground water mains, storm/sanitary sewer systems, steam lines and natural gas piping. Current plans are over 30 years old.		$ 150,000	
Asbestos and Lead Based Paint Abatement throughout the campus, plus Surveys of Areas Not Yet Surveyed	Asbestos will be abated in areas where remodeling or construction occurs	$ 46,454	$ 75,000	$ 75,000
Asbestos Abatement 16 West and LRC	Remove asbestos contaminated dirt in basements and replace soil		$ 200,000	
Roof repairs - Maintenance schedule for all buildings, including the Superintendent's House	Maintain all roofs in good condition, will set up schedule of roof repairs and maintenance	$ 45,000	$ 100,000	$ 100,000
Repair Heating Plant Roof	Leaking badly and has been patched several times		$ 206,600	
Replace Vehicle Garage Roof	Roof is leaking and needs to be replaced		$ 135,450	
Replace Flooring As Needed Each Biennium	Replacement flooring throughout the facility	$ 100,000	$ 100,000	$ 100,000
Repair sidewalks throughout the campus	Maintenance schedule	$ 25,000	$ 25,000	$ 25,000
Water Main Improvements	Old system needs gradual upgrade	$ 40,000	$ 40,000	$ 40,000
Install Electric Heat Tape in Roof Drain Nozzles	This will eliminate ice build up in down spouts		$ 100,000	
Sewer improvements by Chapel, Laundry etc.	Replace manholes and slip line sewers		$ 200,000	

NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Repairing two manholes per biennium	Old system needs gradual upgrade	$ 5,000	$ 5,000	$ 5,000
Replace Worn Steam Traps Each Biennium	Regular maintenance schedule	$ 75,000	$ 75,000	$ 75,000
New Security Lights	Replace current lights with LED lights	$ 50,000	$ 50,000	$ 50,000
Tuckpoint the old Administration Building	Tuckpoint the top few feet of the outside walls	$ 30,000		
Tuckpoint GM Building	Tuckpoint the top few feet of the outside walls	$ 40,000		
Replace GM Front Entrance Door	Glass door is worn and the opening needs to accommodate food carts	$ 9,000		
Central Receiving Loading Dock and Wall	Cement is broken, causing unsafe condition		$ 91,000	
Paint Ash Tower - Heating Plant	Rusting and needs to be repainted		$ 30,000	
Steel Sheeting for Grounds Shop and Single Stall Garage Door	Needed to maintain usable storage building		$ 9,300	
Replace siding on implement shed	Storage building houses heavy equipment. Needed to maintain building		$ 100,000	
New HVAC System for GM Building	Will install more efficent and better operating system		$ 2,000,000	
Electrical Work in Conjunction With New HVAC System in GM	Electrical upgrades and other work required to install new HVAC system		$ 250,000	
DDC Control Improvements in Lahaug, GM and New Horizons	Upgrades needed to maintain system		$ 100,000	
Replace Evaporator Panels in Both Cooling Towers	Evaporator panels worn and in need of replacement	$ 12,000		
HVAC and Ductwork Cleaning in Several Buildings	Maintain cleanliness of system and improve air flow		$ 400,000	
Maintenance of Sewage Pumps in Gm and Lahaug Buildings	Routine maintenance	$ 5,000		
Remove underground fuel oil tank no longer in service for Heating Plant	10,000 gallon fuel oil tank was connected to removed emergency generator		$ 25,000	
New HVAC System for New Horizons Basement	Larger system needed for wood shop and recycling areas		$ 165,000	
New Horizons Elevator Upgrade	Original elevator needs to be upgraded		$ 95,000	
Paint Booth for GM Building	Enable painting of furniture produced in patient work program		$ 150,000	

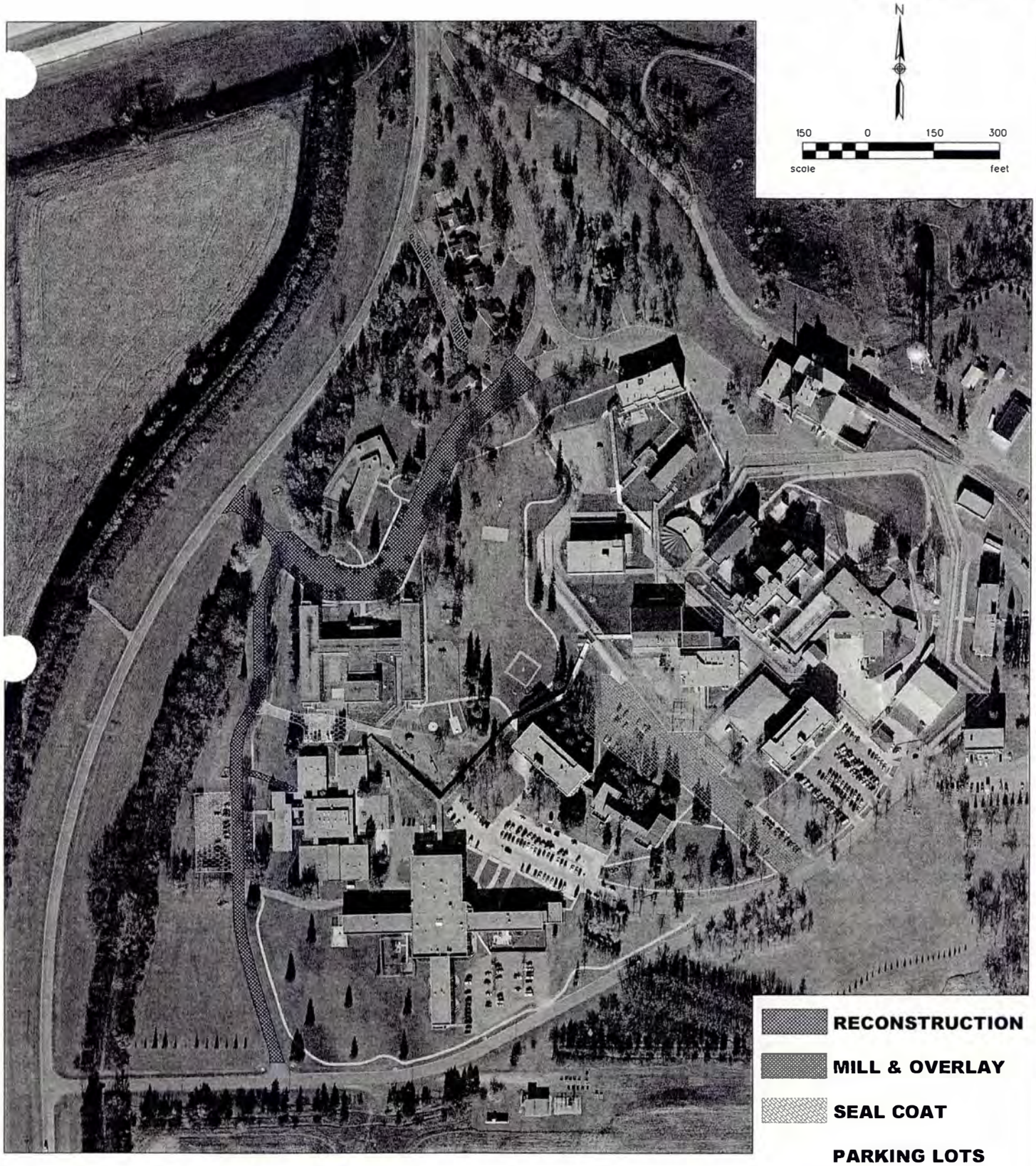
NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Added Electrical Outlets for GM Bedrooms	Residents have more electronic devices now that the building is a residential facility and not a short term hospital		$ 95,000	
Lahaug Electrical Upgrade	Electrical service needs to be expanded and upgraded to meet current needs		$ 750,000	
Upgrade Lahaug HVAC System	System needs to be expanded and upgraded to provide more efficient cooling		$ 500,000	
New HVAC System for the Tompkins Building	System needs to be replaced to provide more efficient cooling		$ 750,000	
Upgrade Electrical Service to Tompkins Building	Residential use places more demands on system than when the building was built to house short term nursing students	$ 150,000		
#1 and #3 Boiler Auto Flame Installation	Replacement of outdated equipment		$ 125,000	
#1 Boiler Automatic Feed Water Regulating Valve and Control	Replacement of outdated equipment	$ 17,000		
Rewiring and Service Upgrade of Superintendent's House	Old system needs replacement to continue to use building for special events		$ 25,000	
Replumbing Superintendent's House	Old system needs replacement to continue to use building for special events		$ 40,000	
Carpentry Repairs in Superintendent's House	Need to repair walls and ceilings during electrical and plumbing work		$ 35,000	
Replace Solid State Starters with Soft Starters for LRC Elevator	Upgrade elevator electrical controls		$ 10,000	
Repair Storm Drain Inlets Throughout Campus	Maintenance of system	$ 20,000		
Condensate Pumps in Several Buildings	Maintenance of system	$ 30,000		
Replace Water Shutoff Valves in Several Buildings	Some old valves do not adequately shut off water		$ 75,000	
Water Tempering Control Valves for Lahaug Shower Rooms	Needed to control the shower temperatures for patient bathrooms	$ 75,000		
SUBTOTAL--->		**$ 910,454**	**$ 8,874,932**	**$ 750,000**

NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS
2013-15 BUDGET REQUEST

PROJECT DESCRIPTION	COMMENTS	2013-15 REQUEST	2015-17	2017-19
Reconstruction of Street	Pavement removal and replacement plus curb and gutter replacement	$ 864,714		
TOTAL EXTRAORDINARY REPAIRS--->		**$ 1,775,168**	**$ 8,874,932**	**$ 750,000**
EQUIPMENT OVER $5,000				
Copier/Scanner/Fax for Administration	Replace old machine	$ 12,000		
Copier/Scanner/Fax for HIS	Replace old machine	$ 12,000		
Copier for Treatment Mall	Replace old machine	$ 7,500		
Data Imaging System	Replace old machine	$ 15,000		
2 Full Body Lifts	Needed to safely move obese patients	$ 10,400		
2 Walk In Whirlpools	Replace old and worn whirlpools	$ 26,000		
72 inch Snow Blower	To replace smaller snow blower	$ 7,150		
Leaf Vacuum System	Replace 10 year old vacuum	$ 7,700		
Boss Blade	Replace 10 year old blade	$ 7,810		
Loader	Replace old equipment		$ 153,100	
2 Yard Quick Coupler MP Bucket	Needed for current loader and will be compatible with new loader	$ 13,100		
3 Air Compressors	Replace worn equipment	$ 15,000		
Condensate Pump for Tompkins Building	Replace worn equipment	$ 12,000		
PA system in Lahaug Building	Upgrade system for new technology	$ 30,000		
Mega Meter	Needed for electrical testing	$ 6,500		
Ground Meter	Needed for electrical testing	$ 5,500		
Battery Operated Carpet Cleaner	Needed for areas with no electrical service	$ 10,000		
Security Cameras for Tompkins Building	Added security needed for patient population	$ 26,874		
Security Cameras for TASC - New Horizons Building	Added security needed for patient population	$ 21,704		
Out Door PTZ Camera	Added security needed for patient population	$ 5,175		
TOTAL EQUIPMENT OVER $5,000--->		**$ 251,413**	**$ 153,100**	**$ -**
TOTAL CAPITAL IMPROVEMENTS REQUEST		**$ 2,026,581**	**$ 9,028,032**	**$ 750,000**

TLD 10K
2/4/2013
Attachment #8



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Fax (701) 252-0203
www.iengi.com
Other offices in Minnesota, Montana and South Dakota

NORTH DAKOTA STATE HOSPITAL

AERIAL VICINITY MAP

Drawn By: T.L.D. Project No.: J12-06-100
Checked By: T.L.D. Date: MAY, 2012

Revision No	Date	By	Description

SHEET NO

HB 1012
2/4/2013
Attachment #9

INTERSTATE ENGINEERING
Professionals you need, people you trust

OPINION OF PROBABLE COST
STREET IMPROVEMENTS
NORTH DAKOTA STATE HOSPITAL
MAY, 2012
J12-06-100

Reconstruction Areas

Item No.	Description	Original Quantity	Units	Unit Price	Extended Price
1	Pavement Removal	11,100	SY	$5.00	$55,500.00
2	Remove and Replace STS Inlet	5	Ea	$3,500.00	$17,500.00
3	New STS Inlet	2	Ea	$3,000.00	$6,000.00
4	18" STS Pipe	350	LF	$30.00	$10,500.00
5	Connect to Existing STS MH	1	Ea	$500.00	$500.00
6	Unclassified Excavation	2,500	CY	$12.00	$30,000.00
7	Subgrade Preparation	11,100	SY	$2.00	$22,200.00
8	Mobilization	1	LS	$15,000.00	$15,000.00
9	Aggregate Base Course	2,500	CY	$30.00	$75,000.00
10	Bituminous Material	220	Ton	$600.00	$132,000.00
11	Hot Bituminous Pavement	3,100	Ton	$55.00	$170,500.00
12	Bituminous Tack	780	Gal	$5.50	$4,290.00
13	Concrete Curb & Gutter Removal	800	LF	$7.00	$5,600.00
14	Concrete Curb & Gutter	800	LF	$35.00	$28,000.00
15	Seeding	1	LS	$2,000.00	$2,000.00
16	Testing Laboratory Services	1	LS	$5,000.00	$5,000.00
17	Geotextile Separation Fabric	11,100	SY	$2.00	$22,200.00
18	Concrete Sidewalk Removal	200	SY	$20.00	$4,000.00
19	5" Concrete Sidewalk	200	SY	$75.00	$15,000.00
20	Detectable Warning Panels	30	SF	$90.00	$2,700.00
21	Pavement Markings	1	LS	$10,000.00	$10,000.00

Opinion of Bid Cost	$633,490.00
Contingencies	$63,349.00
Engineering, Legal, Administrative	$126,698.00
Total Opinion of Project Cost	$823,537.00
Inflation (approx. 5%)	$41,176.85
Total Opinion of Project Cost	$864,713.85

HB 1012
2/4/2013
Attachment #10

Department of Human Services

Square Footage of Human Service Center Main Office Buildings
1/29/2013

Human Service Center	Square Footage
Northwest	25,043
North Central	41,417
Lake Region	18,236
Northeast	40,040
Southeast	50,400
South Central	29,917
West Central	35,115
West Central - Vocational Rehabiliation	5,336
West Central - Total	40,451
Badlands	18,446
Badlands - Vocational Rehabiliation	3,419
Badlands - Total	21,865

HB 1012
2/4/2013
Attachment # 11

West Central HSC - 2013-15 Biennium Budget

Grants Detail - CD Residential Adult and MI Residential Services

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services				
CD Residential Adult				
CD Residential Adult - Short Term	General Fund	8,156	8,611	455
	Federal Funds	2,794	2,339	(455)
	Special Funds	0	0	0
		10,950	10,950	0
Long Term Facility - Heritage	General Fund	476,642	503,282	26,640
	Federal Funds	163,328	136,718	(26,610)
	Special Funds	0	0	0
		639,970	640,000	30
Crisis Residential	General Fund	382,652	452,572	69,920
	Federal Funds	131,113	122,943	(8,170)
	Special Funds	0	0	0
		513,765	575,515	61,750
Crisis Residential - Additional Four Beds Capacity	General Fund	0	324,156	324,156
	Federal Funds	0	0	0
	Special Funds	0	0	0
		0	324,156	324,156
Summary for CD Residential Adult	**General Fund**	**867,450**	**1,288,621**	**421,171**
	Federal Funds	**297,235**	**262,000**	**(35,235)**
	Special Funds	**0**	**0**	**0**
		1,164,685	**1,550,621**	**385,936**

West Central HSC - 2013-15 Biennium Budget

Grants Detail - CD Residential Adult and MI Residential Services

Description	Funding	2011-2013 Appropriation	2013-2015 Budget Recommendation	Total Changes
Residential Services				
MI Residential				
Crisis Residential	General Fund	20,504	16,346	(4,158)
	Federal Funds	14,013	15,887	1,874
	Special Funds	1,518	1,112	(406)
		36,035	33,345	(2,690)
Transtional Living Facility - Arbor	General Fund	333,036	431,127	98,091
	Federal Funds	321,183	214,618	(106,565)
	Special Funds	70,871	66,122	(4,749)
		725,090	711,867	(13,223)
Long Term Adult - Sahnish	General Fund	384,280	298,795	(85,485)
	Federal Funds	262,648	289,100	26,452
	Special Funds	28,433	21,151	(7,282)
		675,361	609,046	(66,315)
Long Term Adult - New 10 Bed Facility	General Fund	0	407,941	407,941
	Federal Funds	0	361,759	361,759
	Special Funds	0	0	0
		0	769,700	769,700
Summary for MI Residential	**General Fund**	**737,820**	**1,154,209**	**416,389**
	Federal Funds	**597,844**	**881,364**	**283,520**
	Special Funds	**100,822**	**88,385**	**(12,437)**
		1,436,486	**2,123,958**	**687,472**

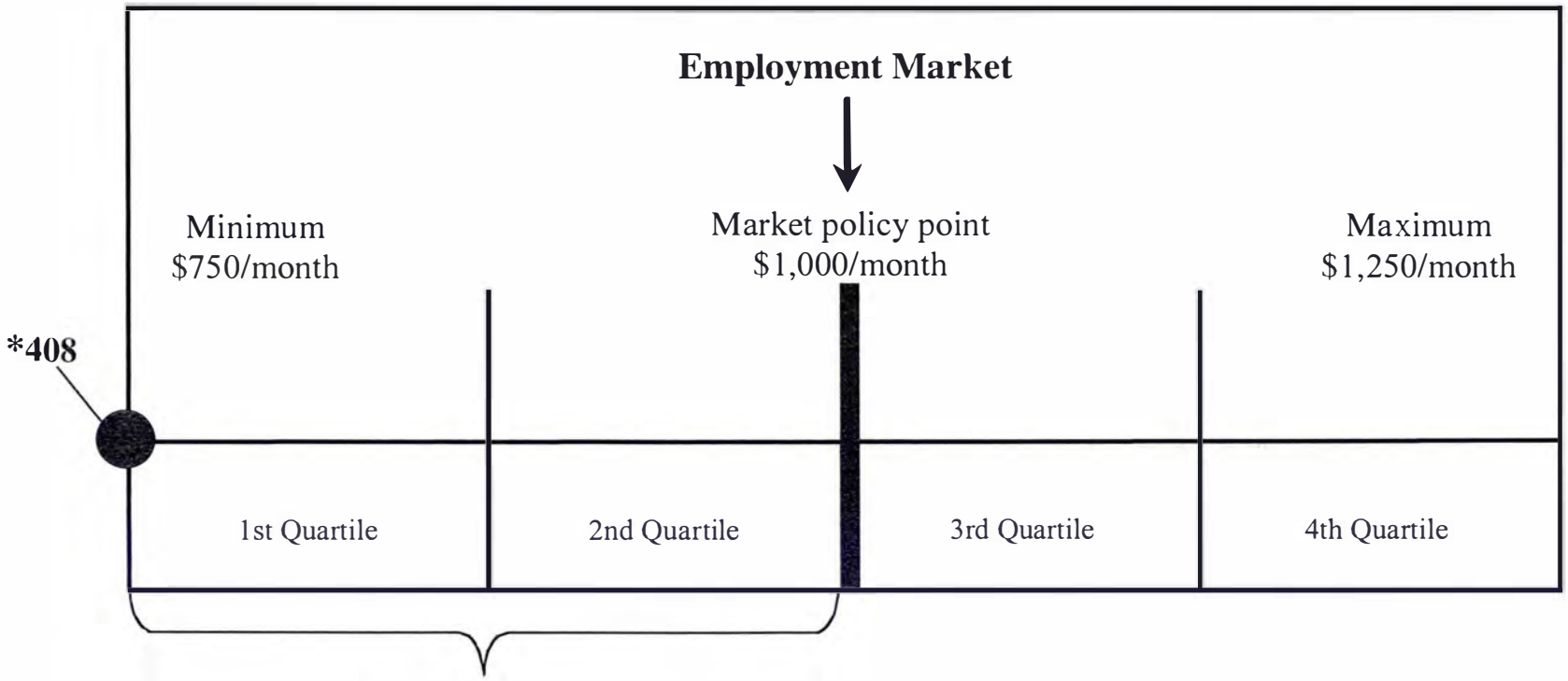
The CD Residential Adult and MI Residential Provider Inflation is $154,844 and is not included in the above numbers.

3/4/2013
Attachment #1

Department of Human Services
Compa Ratio Illustration

Compa ratio is the actual salary divided by the market policy point

Sample Pay Range



88% of DHS staff (1933) are below market policy point

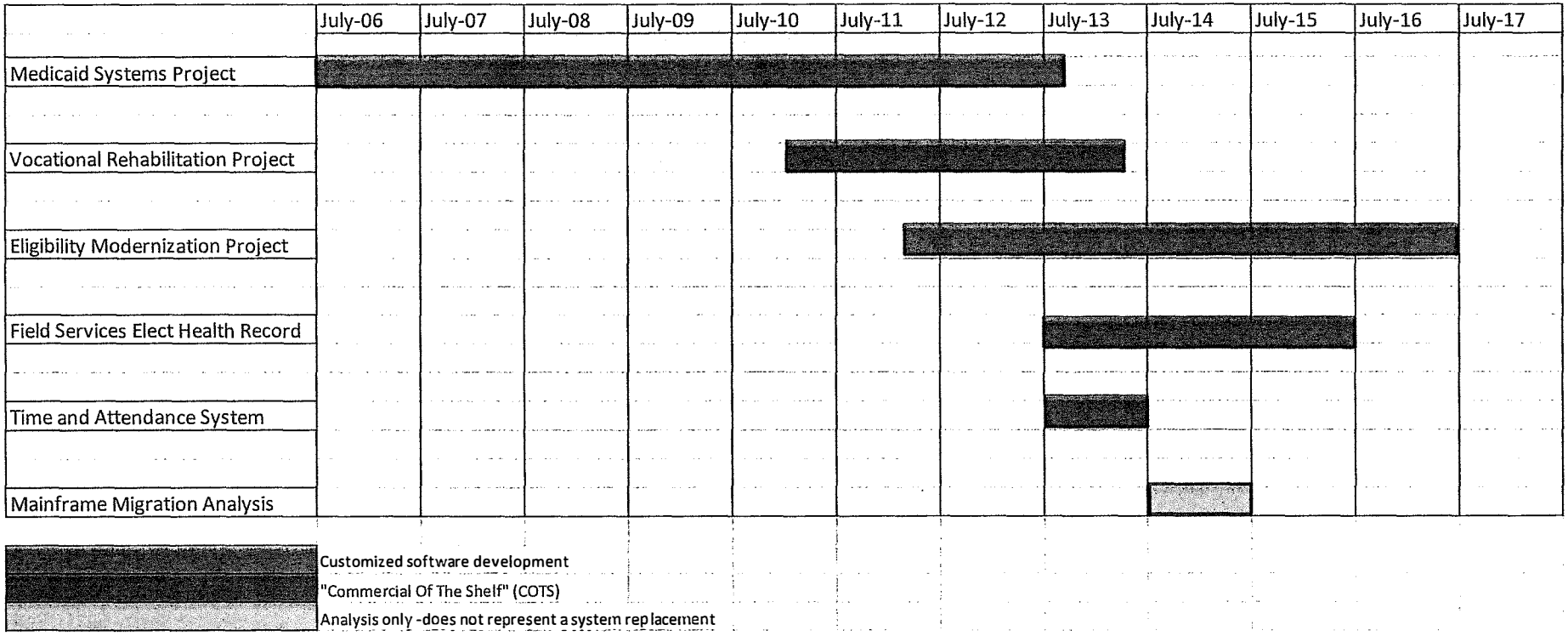
***19% of DHS staff (408) are at the minimum or 25% behind market**

Employee paid at market policy point has compa ratio of 1.0
Employee paid at minimum has compa ratio of 0.75
Employee paid at maximum has compa ratio of 1.25

Revised 1-22-13

2/5/2013
Attachment #1

Human Services Current and Proposed IT Projects - Timelines



February 5, 2013

TTN WIC
2/5/2013
Attachment #2

Human Service Eligibility Modernization Project
February 5, 2013

Total Cost	Original Estimate	Revised Estimate	Difference	
Software Development	$36,240,154	$47,354,189	$11,114,035	
				$ 5,401,991 Affordable Care Act
				$ 3,900,446 Developer Rate Increase
				$ 1,811,598 Management Reserve
Hardware/Software/Hosting	$1,616,069	$4,873,884	$3,257,815	Dedicated Environment & Extended Schedule
IV&V	$3,224,346	$4,485,750	$1,261,404	Extended Schedule
Project Team Space Lease	$548,849	$717,599	$168,750	Extended Schedule
DHS Personnel	$988,507	$988,507	$0	
Totals	$42,617,925	* $58,419,929	* $15,802,004	

General Funds			
Software Development	$7,314,648	$12,967,491	$5,652,843
Hardware/Software/Hosting	$435,777	$1,584,169	$1,148,392
IV&V	$667,833	$1,429,391	$761,558
Project Team Space Lease	$113,679	$203,897	$90,218
DHS Personnel	$204,742	$277,691	$72,949
Totals	$8,736,679	* $16,462,639	* $7,725,960

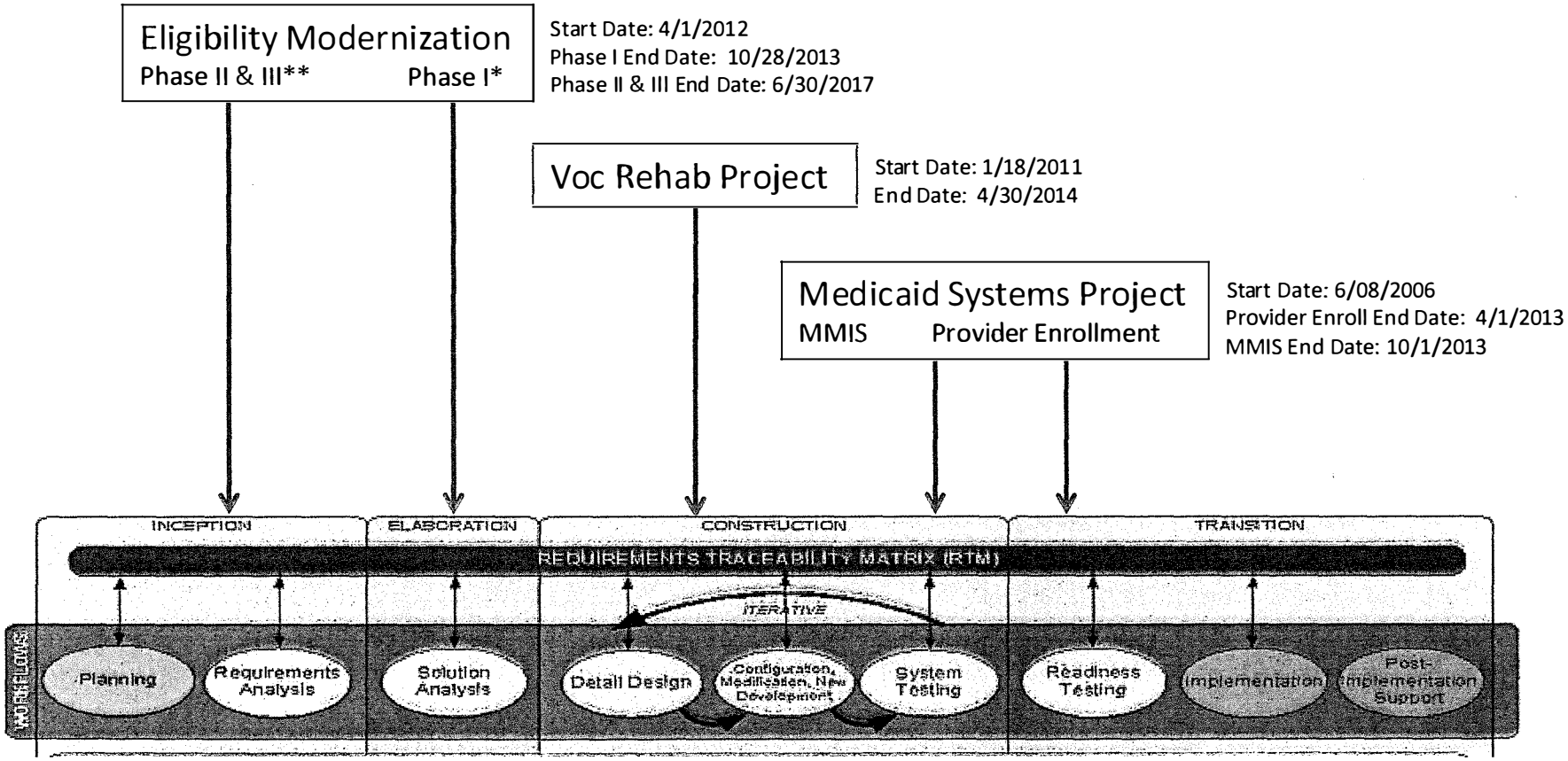
Estimated project completion date:
April , 2017

*Projected estimates will be reviewed at the end of Phase II analysis and Phase III analysis

Estimates may vary depending on changes that result from Federal program changes, including reauthorization of programs.

2/5/2013
Attachment #3

Human Services Current IT Projects



* Eligibility Modernization Phase I implementation includes the functionality necessary to interact with the Federally Facilitated Exchange

** Eligibility Modernization Phase II & III implementation will be the full system replacement for Medicaid, CHIP, TANF, SNAP, LIHEAP and Child Care

February 5, 2013

HB 1012
2/5/2013
Attachment #4

Department of Human Services
Information Technology Services
As of Nov.30, 2012

Components of the Medicaid Systems Project	Original Budget	Additional scope due to federally mandated regulations: 5010 approved by Budget Section (March 13, 2012)	Additional scope due to federally mandated regulations: IC-10 approved by Budget Section (Sept. 20, 2012)	Revised Budget	Additional funding approved for enhanced match by CMS	CMS approved funding	Actual expenses as of 11/30/2012	Amount remaining
Medicaid Management Information System (MMIS)/Pharmacy Point of Sale (POS)[1]	$ 37,394,184	$ 8,028,166	$ 8,305,907	$ 53,728,257		$ 53,728,257	$ 28,975,111	$ 24,753,146
Data Warehouse System and Decision Support System	5,000,000		252,000	$ 5,252,000		$ 5,252,000	3,175,000	$ 2,077,000
Independent Verification and Validation Services	4,896,926	1,021,681	996,914	$ 6,915,521		$ 6,915,521	5,794,356	$ 1,121,165
Information Technology Department Services	9,609,248		2,207,144	$ 11,816,392	8,290,678	$ 20,107,070	17,427,439	$ 2,679,631
Project Management	692,201		164,718	$ 856,919		$ 856,919	686,405	$ 170,514
Office Space/Facilities	440,501			$ 440,501	310,650	$ 751,151	674,800	$ 76,351
DHS Contractors	611,434		156,037	$ 767,471		$ 767,471	606,936	$ 160,535
Software Non ITD	20,105		(107)	$ 19,998	1,344	$ 21,342	21,342	$ -
DHS Staff	-			$ -	3,367,470	$ 3,367,470	2,882,197	$ 485,273
Contingency	3,864,772	(557,281)	(1,185,814)	$ 2,121,677	(2,121,677)	$ -		$ -
Total	62,529,371	8,492,566	10,896,799	81,918,736	9,848,465	91,767,201	60,243,586	31,523,615

General fund	$ 9,639,074	$ 5,835,455	$ 3,803,619
Federal fund	79,934,601	52,214,605	27,719,996
Other funds (Permanent Oil Trust Fund)	2,193,526	2,193,526	-
Total	$ 91,767,201	$ 60,243,586	$ 31,523,615

1 This line is the Xerox contract. DHS has paid Xerox $4,930,000 in the 2011-2013 biennium which includes: $1,500,000 for 5010 design, $1,500,000 for ICD-10 design and $1,930,000 for ICD-10 EDIFECS Software Acquisition

HB 1012
2/5/2013
Attachment #5

DEPARTMENT OF HUMAN SERVICES
ITS - 2013-15 Biennium Budget
Budget Account Code 601000 -IT Data Processing

2011-2013 Budget Account Code 601000- IT Data Processing	$ 81,713,799
Remove One-time funding:	
Eligibility Project	$ (42,416,499)
Budget without one-time funding	$ 39,297,300
Rate Increase for Hosting and Networking:	
Includes increased hosting and networking costs for Economic Assistance (Vision and TECS), Child Support (FASCES), Children and Family Services (FRAME and CCWIPS), MMIS and the Regional Office Automation Program.	$ 2,324,472
Rate Decrease for CPU:	
$1.29-$1.41 to $0.64	$ (6,926,808)
Technology Fee:	
$49.00/FTE to $49.50/FTE	$ 24,984
Software Development:	
Developer $67/hr. to $69/hr., Senior Developer $86/hr. to $94/hr.	$ 368,472
Total ITD Rate Changes:	$ (4,208,880)
Utilization Increase:	
Increases include labor and CPU for Economic Assistance and Children and Family Services as well as a decrease for Medical Services. Decrease in AS/400 CPU and increase in EDMS user fees and disk storage for Medical Services.	$ 2,819,048
MMIS Software Maintenance	1,863,820
MMIS Disaster Recovery	342,720
Eligibility Application Test Environment	194,400
Filenet for FRAME users (one-time)	168,025
Change Data Capture Hosting	346,320
Mainframe Migration project	810,000
Total Utilization and Other costs:	$ 6,544,333
Total Rate Change, Utilization Change and Other costs:	$ 2,335,453
Total Change in 2013-15 Budget Account Code 601000-IT Data Processing	$ (40,081,046)
2013-15 Budget Account Code 601000-IT Data Processing	$ 41,632,753

HB 1012
2/5/2013
Attachment #6

DEPARTMENT OF HUMAN SERVICES

Estimated MMIS Enterprise and Legacy system costs

Operating costs	Legacy 24 mos. 2011-2013	Enterprise 21 mos. 2013-2015	Enterprise 24 mos. 2015-2017
ITD- Data Center	3,227,792	4,777,461	6,649,776
ITD Labor	3,037,200	3,037,020	5,076,000[3]
Xerox Post Production[1]	-	6,736,662	2,186,773
Xerox License Agreement[2]	-	3,899,597	4,804,693
Pharmacy contract	75,000	-	-
Bloodhound	300,000	300,000	300,000
Health Information Design	181,125	181,125	181,125
Thomsen Reuters	1,657,625	1,657,625	1,657,625
EDIFECS ICD-10	733,084	733,084	733,084
Total Operating Costs	9,211,826	21,322,574	21,589,076
One-time costs			
Hardware lease roll up due at go-live		863,501	
Additional Software licensed with P7 and IBM websphere and SW maintenance on initial and incremental licenses thru 2013- due at go-live		3,698,015	
Grand Total	9,211,826	25,884,090	21,589,076
Funding			
General	2,463,123	6,357,637	5,362,114
Federal	7,431,123	19,526,453	16,226,962
Total	9,894,246	25,884,090	21,589,076

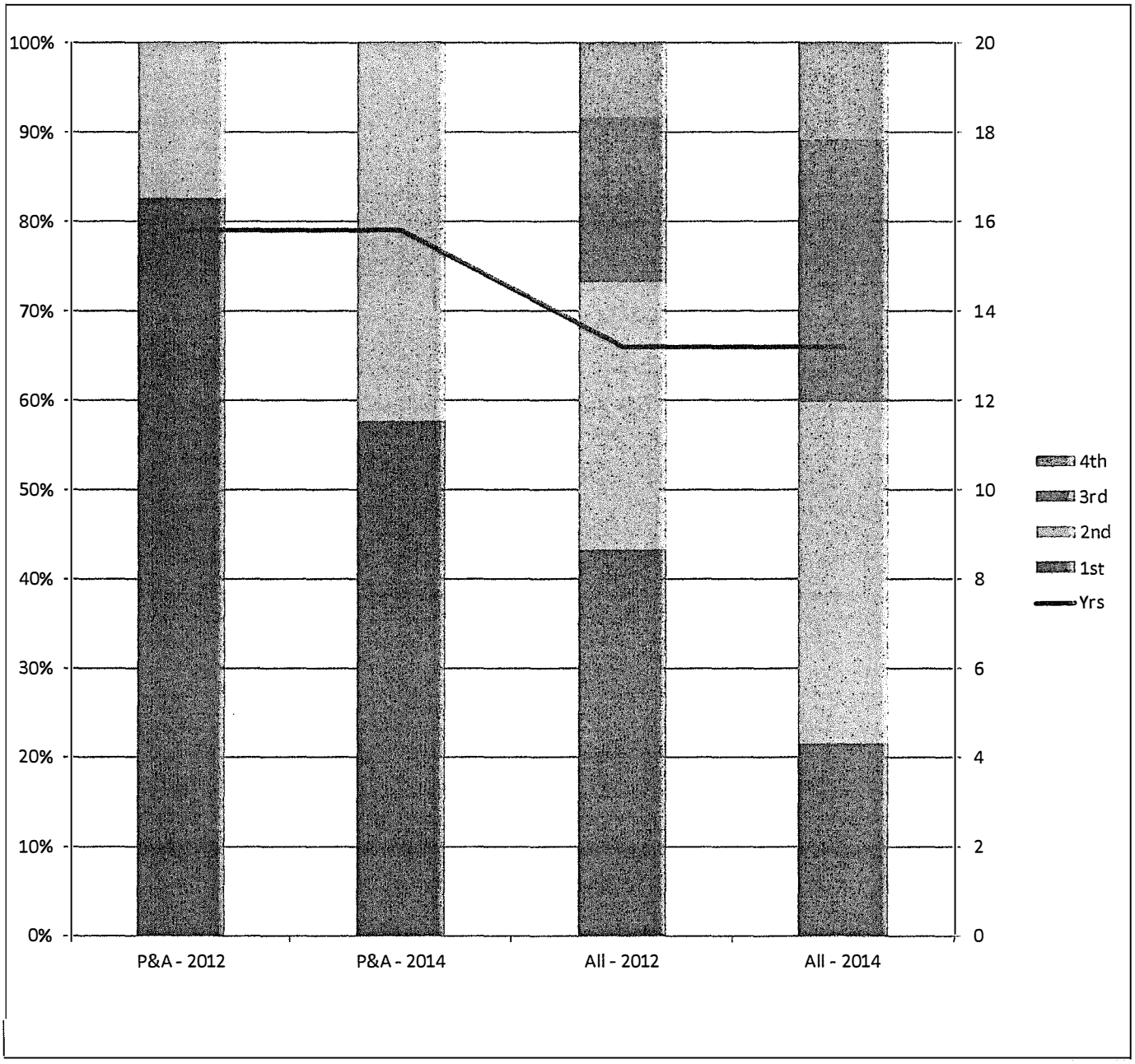
[1] Estimated at time the 2013-2015 budget was built, waiting on formal proposal from Xerox.

[2] Not currently approved for cost share from CMS.

[3] This amount is assuming that the system is CMS certified.

HB 1012
2/5/2013 PM
Attachment #1

360 - P&A - 2012-14 Quartile Charts



360 - P&A

	Relativity to Market Policy Position *		+ Meet Standards	+ Exceed Standards
MPP +	0%			
2nd Qtl	1 - 2.0%	+	3.0%	5.0%
1st Qtl	2 - 4.0%			

** ALL increases contingent upon Performance Meeting Standards*

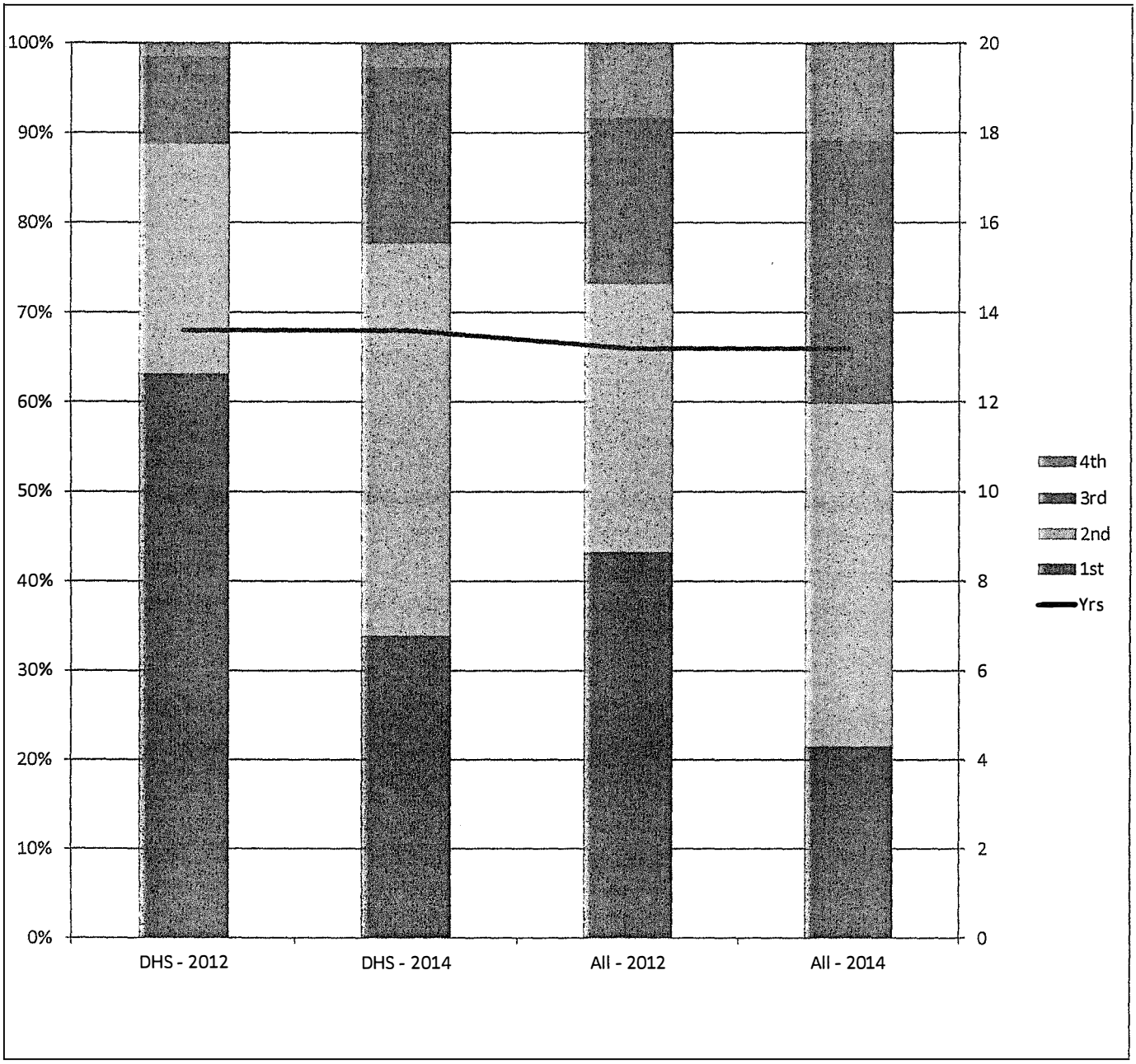
Current C/R	Projected 2013 C/R	Projected 2014 C/R
0.79	0.83	0.86

EXAMPLE

		CURRENT						2013										2014									
								Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2013				Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2014			
Yrs Svc	Job Title	FTE Ann Sal	Grade	Market Policy Point	FTE	C/R (Current)	2012 Qtl	%%	$$	%%	$$	%%	$$	2013 New Salary	New MPP (3% range increment)	2013 New C/R	2013 Qtl	%%	$$	%%	$$	%%	$$	2014 New Salary	New MPP (3% range increment)	2014 New C/R	2014 Qtl
9.5	OFFICE ASSISTANT II	23,088	D	29,046	0.50	0.79	1	4.0%	924	3.0%	693	7.0%	1,617	24,705	29,917	0.83	1	4.0%	988	5.0%	1,235	9.0%	2,223	26,928	30,815	0.87	1
23.4	ADMIN ASSISTANT III	39,516	I	45,938	1.00	0.86	1	4.0%	1,581	5.0%	1,976	9.0%	3,557	43,073	47,316	0.91	2	2.0%	861	3.0%	1,292	5.0%	2,153	45,226	48,735	0.93	2
2.5	ATTORNEY II	66,468	O	80,855	1.00	0.82	1	4.0%	2,659	3.0%	1,994	7.0%	4,653	71,121	83,281	0.85	1	4.0%	2,845	5.0%	3,556	9.0%	6,401	77,522	85,779	0.90	2
21.1	ATTORNEY II	70,392	O	80,855	1.00	0.87	1	4.0%	2,816	5.0%	3,520	9.0%	6,336	76,728	83,281	0.92	2	2.0%	1,535	5.0%	3,836	7.0%	5,371	82,099	85,779	0.96	2
22.4	ATTORNEY II	61,548	O	80,855	1.00	0.76	1	4.0%	2,462	3.0%	1,846	7.0%	4,308	65,856	83,281	0.79	1	4.0%	2,634	3.0%	1,976	7.0%	4,610	70,466	85,779	0.82	1
16.7	ATTORNEY III	78,120	Q	91,567	1.00	0.85	1	4.0%	3,125	5.0%	3,906	9.0%	7,031	85,151	94,314	0.90	2	2.0%	1,703	3.0%	2,555	5.0%	4,258	89,409	97,143	0.92	2
27.0	ADMIN OFR II	49,080	K	55,414	1.00	0.89	2	2.0%	982	3.0%	1,472	5.0%	2,454	51,534	57,076	0.90	2	2.0%	1,031	5.0%	2,577	7.0%	3,608	55,142	58,788	0.94	2
24.2	HEALTH/HUMAN SVC PRGM ADMIN IV	59,316	N	73,130	1.00	0.81	1	4.0%	2,373	5.0%	2,966	9.0%	5,339	64,655	75,324	0.86	1	4.0%	2,586	5.0%	3,233	9.0%	5,819	70,474	77,584	0.91	2
12.3	HEALTH/HUMAN SVC PRGM ADMIN V	64,896	O	80,855	1.00	0.80	1	4.0%	2,596	3.0%	1,947	7.0%	4,543	69,439	83,281	0.83	1	4.0%	2,778	3.0%	2,083	7.0%	4,861	74,300	85,779	0.87	1
22.8	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	5.0%	2,488	9.0%	4,478	54,230	68,322	0.79	1	4.0%	2,169	3.0%	1,627	7.0%	3,796	58,026	70,372	0.82	1
26.3	DISABILITY ADVOCATE	54,180	M	66,332	1.00	0.82	1	4.0%	2,167	3.0%	1,625	7.0%	3,792	57,972	68,322	0.85	1	4.0%	2,319	5.0%	2,899	9.0%	5,218	63,190	70,372	0.90	2
6.1	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	5.0%	2,488	9.0%	4,478	54,230	68,322	0.79	1	4.0%	2,169	5.0%	2,712	9.0%	4,881	59,111	70,372	0.84	1
0.4	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	3.0%	1,597	7.0%	3,726	56,961	70,372	0.81	1
6.9	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	5.0%	2,488	9.0%	4,478	54,230	68,322	0.79	1	4.0%	2,169	3.0%	1,627	7.0%	3,796	58,026	70,372	0.82	1
29.4	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	5.0%	2,662	9.0%	4,791	58,026	70,372	0.82	1
19.8	DISABILITY ADVOCATE	52,932	M	66,332	1.00	0.80	1	4.0%	2,117	5.0%	2,647	9.0%	4,764	57,696	68,322	0.84	1	4.0%	2,308	5.0%	2,885	9.0%	5,193	62,889	70,372	0.89	2
5.4	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	3.0%	1,597	7.0%	3,726	56,961	70,372	0.81	1
28.1	DISABILITY ADVOCATE	59,520	M	66,332	1.00	0.90	2	2.0%	1,190	5.0%	2,976	7.0%	4,166	63,686	68,322	0.93	2	2.0%	1,274	3.0%	1,911	5.0%	3,185	66,871	70,372	0.95	2
0.3	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	5.0%	2,662	9.0%	4,791	58,026	70,372	0.82	1
0.2	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	5.0%	2,488	9.0%	4,478	54,230	68,322	0.79	1	4.0%	2,169	5.0%	2,712	9.0%	4,881	59,111	70,372	0.84	1
8.2	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	3.0%	1,597	7.0%	3,726	56,961	70,372	0.81	1
27.0	DISABILITY ADVOCATE	47,604	M	66,332	1.00	0.72	1	4.0%	1,904	5.0%	2,380	9.0%	4,284	51,888	68,322	0.76	1	4.0%	2,076	3.0%	1,557	7.0%	3,633	55,521	70,372	0.79	1
28.6	DISABILITY ADVOCATE	59,520	M	66,332	1.00	0.90	2	2.0%	1,190	3.0%	1,786	5.0%	2,976	62,496	68,322	0.91	2	2.0%	1,250	5.0%	3,125	7.0%	4,375	66,871	70,372	0.95	2
13.0	DISABILITY ADVOCATE	50,244	M	66,332	1.00	0.76	1	4.0%	2,010	5.0%	2,512	9.0%	4,522	54,766	68,322	0.80	1	4.0%	2,191	5.0%	2,738	9.0%	4,929	59,695	70,372	0.85	1
6.8	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	3.0%	1,493	7.0%	3,483	53,235	68,322	0.78	1	4.0%	2,129	3.0%	1,597	7.0%	3,726	56,961	70,372	0.81	1
0.1	DISABILITY ADVOCATE	49,752	M	66,332	1.00	0.75	1	4.0%	1,990	5.0%	2,488	9.0%	4,478	54,230	68,322	0.79	1	4.0%	2,169	3.0%	1,627	7.0%	3,796	58,026	70,372	0.82	1
14.9		1,383,696				0.79		3.8%	51,986	4.0%	55,644	7.8%	107,630			0.83		3.5%	51,998	4.0%	59,475	7.5%	111,473			0.86	

HB 1012
2/5/2013 PM
Attachment #3

325 - DHS - 2012-14 Quartile Charts



325 - DHS

Increases contingent upon Performance Meeting Standards

		CURRENT						2013										2014									
								Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2013				Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2014			
Yrs Svc	Job Title	FTE Ann Sal	Grade	Market Policy Point	FTE	C/R (Curre nt)	2012 Qtl	%	$	%	$	%	$	2013 New Salary	New MPP (3% range increment)	New C/R	2013 Qtl	%	$	%	$	%	$	2014 New Salary	New MPP (3% range increment)	New C/R	2014 Qtl
10.4	OFFICE ASSISTANT III	24,492	E	31,724	1.00	0.77	1	4.0%	980	5.0%	1,225	9.0%	2,205	26,697	32,676	0.82	1	4.0%	1,068	5.0%	1,335	9.0%	2,403	29,100	33,656	0.86	1
9.7	OFFICE ASSISTANT III	26,964	E	31,724	1.00	0.85	1	4.0%	1,079	3.0%	809	7.0%	1,888	28,852	32,676	0.88	2	2.0%	577	3.0%	866	5.0%	1,443	30,295	33,656	0.90	2
28.3	OFFICE ASSISTANT III	28,512	E	31,724	1.00	0.90	2	2.0%	570	5.0%	1,426	7.0%	1,996	30,508	32,676	0.93	2	2.0%	610	5.0%	1,525	7.0%	2,135	32,643	33,656	0.97	2
5.2	ADMIN ASSISTANT I	30,672	F	34,505	1.00	0.89	2	2.0%	613	3.0%	920	5.0%	1,533	32,205	35,540	0.91	2	2.0%	644	3.0%	966	5.0%	1,610	33,815	36,606	0.92	2
1.3	ADMIN ASSISTANT I	28,548	F	34,505	1.00	0.83	1	4.0%	1,142	5.0%	1,427	9.0%	2,569	31,117	35,540	0.88	2	2.0%	622	5.0%	1,556	7.0%	2,178	33,295	36,606	0.91	2
1.7	ADMIN ASSISTANT I	29,088	F	34,505	1.00	0.84	1	4.0%	1,164	3.0%	873	7.0%	2,037	31,125	35,540	0.88	2	2.0%	623	3.0%	934	5.0%	1,557	32,682	36,606	0.89	2
2.3	ADMIN ASSISTANT I	29,088	F	34,505	1.00	0.84	1	4.0%	1,164	5.0%	1,454	9.0%	2,618	31,706	35,540	0.89	2	2.0%	634	5.0%	1,585	7.0%	2,219	33,925	36,606	0.93	2
13.7	ADMIN ASSISTANT I	28,356	F	34,505	1.00	0.82	1	4.0%	1,134	3.0%	851	7.0%	1,985	30,341	35,540	0.85	1	4.0%	1,214	3.0%	910	7.0%	2,124	32,465	36,606	0.89	2
2.2	ADMIN ASSISTANT I	29,280	F	34,505	1.00	0.85	1	4.0%	1,171	5.0%	1,464	9.0%	2,635	31,915	35,540	0.90	2	2.0%	638	5.0%	1,596	7.0%	2,234	34,149	36,606	0.93	2
24.1	ADMIN ASSISTANT I	31,530	F	34,505	0.80	0.91	2	2.0%	631	3.0%	946	5.0%	1,577	33,107	35,540	0.93	2	2.0%	662	3.0%	993	5.0%	1,655	34,762	36,606	0.95	2
15.2	ADMIN ASSISTANT II	31,212	H	41,612	1.00	0.75	1	4.0%	1,248	5.0%	1,561	9.0%	2,809	34,021	42,860	0.79	1	4.0%	1,361	5.0%	1,701	9.0%	3,062	37,083	44,146	0.84	1
4.8	ADMIN ASSISTANT II	31,212	H	41,612	1.00	0.75	1	4.0%	1,248	3.0%	936	7.0%	2,184	33,396	42,860	0.78	1	4.0%	1,336	3.0%	1,002	7.0%	2,338	35,734	44,146	0.81	1
5.9	ACCOUNT TECHNICIAN II	32,052	G	37,801	1.00	0.85	1	4.0%	1,282	5.0%	1,603	9.0%	2,885	34,937	38,935	0.90	2	2.0%	699	5.0%	1,747	7.0%	2,446	37,383	40,103	0.93	2
34.1	REG HSC FISCAL MGR-DHS	66,528	N	73,130	1.00	0.91	2	2.0%	1,331	3.0%	1,996	5.0%	3,327	69,855	75,324	0.93	2	2.0%	1,397	3.0%	2,096	5.0%	3,493	73,348	77,584	0.95	2
13.8	ADMIN OFR I	35,592	I	45,938	1.00	0.77	1	4.0%	1,424	5.0%	1,780	9.0%	3,204	38,796	47,316	0.82	1	4.0%	1,552	5.0%	1,940	9.0%	3,492	42,288	48,735	0.87	1
13.9	ADMIN STAFF OFFICER I	41,256	J	50,985	1.00	0.81	1	4.0%	1,650	3.0%	1,238	7.0%	2,888	44,144	52,515	0.84	1	4.0%	1,766	3.0%	1,324	7.0%	3,090	47,234	54,090	0.87	1
9.9	PSYCH CLINICAL NURSE SPEC	89,655	O	80,855	0.80	1.11	3	0.0%	-	5.0%	4,483	5.0%	4,483	94,138	83,281	1.13	4	0.0%	-	5.0%	4,707	5.0%	4,707	98,845	85,779	1.15	4
20.0	REGISTERED NURSE II	55,092	L	60,564	1.00	0.91	2	2.0%	1,102	3.0%	1,653	5.0%	2,755	57,847	62,381	0.93	2	2.0%	1,157	3.0%	1,735	5.0%	2,892	60,739	64,252	0.95	2
4.7	REGISTERED NURSE II	45,420	L	60,564	1.00	0.75	1	4.0%	1,817	5.0%	2,271	9.0%	4,088	49,508	62,381	0.79	1	4.0%	1,980	5.0%	2,475	9.0%	4,455	53,963	64,252	0.84	1
16.5	REGISTERED NURSE II	54,024	L	60,564	1.00	0.89	2	2.0%	1,080	3.0%	1,621	5.0%	2,701	56,725	62,381	0.91	2	2.0%	1,135	3.0%	1,702	5.0%	2,837	59,562	64,252	0.93	2
6.8	REGISTERED NURSE II	48,315	L	60,564	0.80	0.80	1	4.0%	1,933	5.0%	2,416	9.0%	4,349	52,664	62,381	0.84	1	4.0%	2,107	5.0%	2,633	9.0%	4,740	57,404	64,252	0.89	2
2.3	REGISTERED NURSE II	45,420	L	60,564	1.00	0.75	1	4.0%	1,817	3.0%	1,363	7.0%	3,180	48,600	62,381	0.78	1	4.0%	1,944	3.0%	1,458	7.0%	3,402	52,002	64,252	0.81	1
17.5	ACTIVITY ASSISTANT II	31,152	E	31,724	1.00	0.98	2	2.0%	623	5.0%	1,558	7.0%	2,181	33,333	32,676	1.02	3	0.0%	-	5.0%	1,667	5.0%	1,667	35,000	33,656	1.04	3
23.7	ACTIVITY THERAPIST II	45,096	J	50,985	1.00	0.88	2	2.0%	902	3.0%	1,353	5.0%	2,255	47,351	52,515	0.90	2	2.0%	947	3.0%	1,421	5.0%	2,368	49,719	54,090	0.92	2
21.3	ACTIVITY THERAPIST II	40,632	J	50,985	1.00	0.80	1	4.0%	1,625	5.0%	2,032	9.0%	3,657	44,289	52,515	0.84	1	4.0%	1,772	5.0%	2,214	9.0%	3,986	48,275	54,090	0.89	2
30.8	OCCUPATIONAL THERAPIST	58,884	M	66,332	1.00	0.89	2	2.0%	1,178	3.0%	1,767	5.0%	2,945	61,829	68,322	0.90	2	2.0%	1,237	3.0%	1,855	5.0%	3,092	64,921	70,372	0.92	2
21.4	REGIONAL REP-SOC SER PROG	54,852	N	73,130	1.00	0.75	1	4.0%	2,194	5.0%	2,743	9.0%	4,937	59,789	75,324	0.79	1	4.0%	2,392	5.0%	2,989	9.0%	5,381	65,170	77,584	0.84	1
7.2	HEALTH/HUMAN SVC PRGM ADMIN II	41,568	K	55,414	1.00	0.75	1	4.0%	1,663	3.0%	1,247	7.0%	2,910	44,478	57,076	0.78	1	4.0%	1,779	3.0%	1,334	7.0%	3,113	47,591	58,788	0.81	1
25.0	HEALTH/HUMAN SVC PRGM ADMIN II	48,480	K	55,414	0.50	0.87	1	4.0%	1,939	5.0%	2,424	9.0%	4,363	52,843	57,076	0.93	2	2.0%	1,057	5.0%	2,642	7.0%	3,699	56,542	58,788	0.96	2
2.0	HEALTH/HUMAN SVC PRGM ADM III	46,716	L	60,564	1.00	0.77	1	4.0%	1,869	3.0%	1,401	7.0%	3,270	49,986	62,381	0.80	1	4.0%	1,999	3.0%	1,500	7.0%	3,499	53,485	64,252	0.83	1
25.7	HEALTH/HUMAN SVC PRGM ADM III	47,676	L	60,564	1.00	0.79	1	4.0%	1,907	5.0%	2,384	9.0%	4,291	51,967	62,381	0.83	1	4.0%	2,079	5.0%	2,598	9.0%	4,677	56,644	64,252	0.88	2
14.1	HEALTH/HUMAN SVC PRGM ADM III	49,440	L	60,564	1.00	0.82	1	4.0%	1,978	3.0%	1,483	7.0%	3,461	52,901	62,381	0.85	1	4.0%	2,116	3.0%	1,587	7.0%	3,703	56,604	64,252	0.88	2
33.7	HEALTH/HUMAN SVC PRGM ADM III	56,208	L	60,564	1.00	0.93	2	2.0%	1,124	5.0%	2,810	7.0%	3,934	60,142	62,381	0.96	2	2.0%	1,203	5.0%	3,007	7.0%	4,210	64,352	64,252	1.00	3
14.7	HEALTH/HUMAN SVC PRGM ADM III	47,988	L	60,564	1.00	0.79	1	4.0%	1,920	3.0%	1,440	7.0%	3,360	51,348	62,381	0.82	1	4.0%	2,054	3.0%	1,540	7.0%	3,594	54,942	64,252	0.86	1
29.8	HEALTH/HUMAN SVC PRGM ADMIN IV	58,596	N	73,130	1.00	0.80	1	4.0%	2,344	5.0%	2,930	9.0%	5,274	63,870	75,324	0.85	1	4.0%	2,555	5.0%	3,194	9.0%	5,749	69,619	77,584	0.90	2
18.6	HEALTH/HUMAN SVC PRGM ADMIN IV	60,624	N	73,130	1.00	0.83	1	4.0%	2,425	3.0%	1,819	7.0%	4,244	64,868	75,324	0.86	1	4.0%	2,595	3.0%	1,946	7.0%	4,541	69,409	77,584	0.89	2
28.1	HEALTH/HUMAN SVC PRGM ADMIN IV	59,880	N	73,130	1.00	0.82	1	4.0%	2,395	5.0%	2,994	9.0%	5,389	65,269	75,324	0.87	1	4.0%	2,611	5.0%	3,263	9.0%	5,874	71,143	77,584	0.92	2
14.0	HEALTH/HUMAN SVC PRGM ADMIN IV	54,852	N	73,130	1.00	0.75	1	4.0%	2,194	3.0%	1,646	7.0%	3,840	58,692	75,324	0.78	1	4.0%	2,348	3.0%	1,761	7.0%	4,109	62,801	77,584	0.81	1
21.3	HEALTH/HUMAN SVC PRGM ADMIN VI	69,216	P	85,799	1.00	0.81	1	4.0%	2,769	5.0%	3,461	9.0%	6,230	75,446	88,373	0.85	1	4.0%	3,018	5.0%	3,772	9.0%	6,790	82,236	91,024	0.90	2
29.6	HUMAN SERVICE CENTER DIR II	103,632	R	98,159	1.00	1.06	3	0.0%	-	3.0%	3,109	3.0%	3,109	106,741	101,104	1.06	3	0.0%	-	3.0%	3,202	3.0%	3,202	109,943	104,137	1.06	3
0.5	DEV DISABIL CASEMGR II	41,568	K	55,414	1.00	0.75	1	4.0%	1,663	5.0%	2,078	9.0%	3,741	45,309	57,076	0.79	1	4.0%	1,812	5.0%	2,265	9.0%	4,077	49,386	58,788	0.84	1
7.8	DEV DISABIL CASEMGR II	43,716	K	55,414	1.00	0.79	1	4.0%	1,749	3.0%	1,311	7.0%	3,060	46,776	57,076	0.82	1	4.0%	1,871	3.0%	1,403	7.0%	3,274	50,050	58,788	0.85	1
18.4	DEV DISABIL CASEMGR II	43,356	K	55,414	1.00	0.78	1	4.0%	1,734	5.0%	2,168	9.0%	3,902	47,258	57,076	0.83	1	4.0%	1,890	5.0%	2,363	9.0%	4,253	51,511	58,788	0.88	2
13.6	DEV DISABIL CASEMGR II	41,568	K	55,414	1.00	0.75	1	4.0%	1,663	3.0%	1,247	7.0%	2,910	44,478	57,076	0.78	1	4.0%	1,779	3.0%	1,334	7.0%	3,113	47,591	58,788	0.81	1
6.3	DEV DISABIL CASEMGR II	43,692	K	55,414	1.00	0.79	1	4.0%	1,748	5.0%	2,185	9.0%	3,933	47,625	57,076	0.83	1	4.0%	1,905	5.0%	2,381	9.0%	4,286	51,911	58,788	0.88	2
7.4	DEV DISABIL CASEMGR II	43,716	K	55,414	1.00	0.79	1	4.0%	1,749	3.0%	1,311	7.0%	3,060	46,776	57,076	0.82	1	4.0%	1,871	3.0%	1,403	7.0%	3,274	50,050	58,788	0.85	1
38.0	DEV DISABIL CASEMGR II	51,540	K	55,414	1.00	0.93	2	2.0%	1,031	5.0%	2,577	7.0%	3,608	55,148	57,076	0.97	2	2.0%	1,103	5.0%	2,757	7.0%	3,860	59,008	58,788	1.00	3
5.6	DEV DISABIL CASEMGR II	41,568	K	55,414	1.00	0.75	1	4.0%	1,663	3.0%	1,247	7.0%	2,910	44,478	57,076	0.78	1	4.0%	1,779	3.0%	1,334	7.0%	3,113	47,591	58,788	0.81	1

* ALL increases contingent upon Performance Meeting Standards								2013										2014									
		CURRENT						Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2013				Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2014			
Yrs Svc	Job Title	FTE Ann Sal	Grade	Market Policy Point	FTE	C/R (Current)	2012 Qtl	%%	$$	%%	$$	%%	$$	2013 New Salary	New MPP (3% range increment)	2013 New C/R	2013 Qtl	%%	$$	%%	$$	%%	$$	2014 New Salary	New MPP (3% range increment)	2014 New C/R	2014 Qtl
6.8	ADMIN OFR I	41,460	I	45,938	1.00	0.90	2	2.0%	829	5.0%	2,073	7.0%	2,902	44,362	47,316	0.94	2	2.0%	887	5.0%	2,218	7.0%	3,105	47,467	48,735	0.97	2
10.4	ADMIN OFR I	36,768	I	45,938	1.00	0.80	1	4.0%	1,471	3.0%	1,103	7.0%	2,574	39,342	47,316	0.83	1	4.0%	1,574	3.0%	1,180	7.0%	2,754	42,096	48,735	0.86	1
0.3	ADMIN OFR I	34,452	I	45,938	1.00	0.75	1	4.0%	1,378	5.0%	1,723	9.0%	3,101	37,553	47,316	0.79	1	4.0%	1,502	5.0%	1,878	9.0%	3,380	40,933	48,735	0.84	1
20.7	ADMIN OFR I	38,832	I	45,938	1.00	0.85	1	4.0%	1,553	3.0%	1,165	7.0%	2,718	41,550	47,316	0.88	2	2.0%	831	3.0%	1,247	5.0%	2,078	43,628	48,735	0.90	2
1.3	ADMIN OFR I	33,396	I	45,938	1.00	0.73	1	4.0%	1,336	5.0%	1,670	9.0%	3,006	36,402	47,316	0.77	1	4.0%	1,456	5.0%	1,820	9.0%	3,276	39,678	48,735	0.81	1
16.3	ADMIN OFR I	38,832	I	45,938	1.00	0.85	1	4.0%	1,553	3.0%	1,165	7.0%	2,718	41,550	47,316	0.88	2	2.0%	831	3.0%	1,247	5.0%	2,078	43,628	48,735	0.90	2
18.6	ADMIN OFR II	47,796	K	55,414	1.00	0.86	1	4.0%	1,912	5.0%	2,390	9.0%	4,302	52,098	57,076	0.91	2	2.0%	1,042	5.0%	2,605	7.0%	3,647	55,745	58,788	0.95	2
27.4	ADMIN STAFF OFFICER I	39,612	J	50,985	1.00	0.78	1	4.0%	1,584	3.0%	1,188	7.0%	2,772	42,384	52,515	0.81	1	4.0%	1,695	3.0%	1,272	7.0%	2,967	45,351	54,090	0.84	1
21.8	ADMIN STAFF OFFICER II	44,916	K	55,414	1.00	0.81	1	4.0%	1,797	5.0%	2,246	9.0%	4,043	48,959	57,076	0.86	1	4.0%	1,958	5.0%	2,448	9.0%	4,406	53,365	58,788	0.91	2
20.8	ADMIN STAFF OFFICER III	59,772	L	60,564	1.00	0.99	2	2.0%	1,195	3.0%	1,793	5.0%	2,988	62,760	62,381	1.01	3	0.0%	-	3.0%	1,883	3.0%	1,883	64,643	64,252	1.01	3
13.4		90,596,744				0.86		3.0%	2,596,795	4.0%	3,628,037	7.0%	6,224,832			0.89		2.7%	2,502,150	4.0%	3,886,009	6.7%	6,388,159			0.92	

325 - DHS

** ALL increases contingent upon Performance Meeting Standards*

		CURRENT						2013										2014									
								Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2013				Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2014			
Yrs Svc	Job Title	FTE Ann Sal	Grade	Market Policy Point	FTE	C/R (Current)	2012 Qtl	%%	$$	%%	$$	%%	$$	2013 New Salary	New MPP (3% range increment)	2013 New C/R	2013 Qtl	%%	$$	%%	$$	%%	$$	2014 New Salary	New MPP (3% range increment)	2014 New C/R	2014 Qtl
14.9	LICENSED PRACTICAL NURSE II	37,956	I	45,938	1.00	0.83	1	4.0%	1,518	5.0%	1,898	9.0%	3,416	41,372	47,316	0.87	1	4.0%	1,655	5.0%	2,069	9.0%	3,724	45,096	48,735	0.93	2
40.9	LICENSED PRACTICAL NURSE II	45,426	I	45,938	0.40	0.99	2	2.0%	909	3.0%	1,363	5.0%	2,272	47,698	47,316	1.01	3	0.0%	-	3.0%	1,431	3.0%	1,431	49,129	48,735	1.01	3
29.4	LICENSED PRACTICAL NURSE II	43,968	I	45,938	1.00	0.96	2	2.0%	879	5.0%	2,198	7.0%	3,077	47,045	47,316	0.99	2	2.0%	941	5.0%	2,352	7.0%	3,293	50,338	48,735	1.03	3
25.9	LICENSED PRACTICAL NURSE II	43,068	I	45,938	1.00	0.94	2	2.0%	861	3.0%	1,292	5.0%	2,153	45,221	47,316	0.96	2	2.0%	904	3.0%	1,357	5.0%	2,261	47,482	48,735	0.97	2
3.6	LICENSED PRACTICAL NURSE II	35,760	I	45,938	1.00	0.78	1	4.0%	1,430	5.0%	1,788	9.0%	3,218	38,978	47,316	0.82	1	4.0%	1,559	5.0%	1,949	9.0%	3,508	42,486	48,735	0.87	1
40.3	LICENSED PRACTICAL NURSE II	44,916	I	45,938	1.00	0.98	2	2.0%	898	3.0%	1,347	5.0%	2,245	47,161	47,316	1.00	3	0.0%	-	3.0%	1,415	3.0%	1,415	48,576	48,735	1.00	3
21.7	LICENSED PRACTICAL NURSE II	43,896	I	45,938	1.00	0.96	2	2.0%	878	5.0%	2,195	7.0%	3,073	46,969	47,316	0.99	2	2.0%	939	5.0%	2,348	7.0%	3,287	50,256	48,735	1.03	3
26.6	LICENSED PRACTICAL NURSE II	43,368	I	45,938	1.00	0.94	2	2.0%	867	3.0%	1,301	5.0%	2,168	45,536	47,316	0.96	2	2.0%	911	3.0%	1,366	5.0%	2,277	47,813	48,735	0.98	2
25.0	LICENSED PRACTICAL NURSE II	44,028	I	45,938	1.00	0.96	2	2.0%	881	5.0%	2,201	7.0%	3,082	47,110	47,316	1.00	3	0.0%	-	5.0%	2,356	5.0%	2,356	49,466	48,735	1.01	3
29.3	LICENSED PRACTICAL NURSE II	43,968	I	45,938	1.00	0.96	2	2.0%	879	3.0%	1,319	5.0%	2,198	46,166	47,316	0.98	2	2.0%	923	3.0%	1,385	5.0%	2,308	48,474	48,735	0.99	2
2.3	LICENSED PRACTICAL NURSE II	44,520	I	45,938	1.00	0.97	2	2.0%	890	5.0%	2,226	7.0%	3,116	47,636	47,316	1.01	3	0.0%	-	5.0%	2,382	5.0%	2,382	50,018	48,735	1.03	3
20.3	LICENSED PRACTICAL NURSE II	43,044	I	45,938	1.00	0.94	2	2.0%	861	3.0%	1,291	5.0%	2,152	45,196	47,316	0.96	2	2.0%	904	3.0%	1,356	5.0%	2,260	47,456	48,735	0.97	2
20.5	LICENSED PRACTICAL NURSE II	42,732	I	45,938	1.00	0.93	2	2.0%	855	5.0%	2,137	7.0%	2,992	45,724	47,316	0.97	2	2.0%	914	5.0%	2,286	7.0%	3,200	48,924	48,735	1.00	3
5.8	LICENSED PRACTICAL NURSE II	36,960	I	45,938	1.00	0.80	1	4.0%	1,478	3.0%	1,109	7.0%	2,587	39,547	47,316	0.84	1	4.0%	1,582	3.0%	1,186	7.0%	2,768	42,315	48,735	0.87	1
2.9	LICENSED PRACTICAL NURSE II	37,032	I	45,938	1.00	0.81	1	4.0%	1,481	5.0%	1,852	9.0%	3,333	40,365	47,316	0.85	1	4.0%	1,615	5.0%	2,018	9.0%	3,633	43,998	48,735	0.90	2
6.6	REGISTERED NURSE I	49,632	J	50,985	1.00	0.97	2	2.0%	993	3.0%	1,489	5.0%	2,482	52,114	52,515	0.99	2	2.0%	1,042	3.0%	1,563	5.0%	2,605	54,719	54,090	1.01	3
1.7	REGISTERED NURSE II	49,188	L	60,564	1.00	0.81	1	4.0%	1,968	5.0%	2,459	9.0%	4,427	53,615	62,381	0.86	1	4.0%	2,145	5.0%	2,681	9.0%	4,826	58,441	64,252	0.91	2
16.3	REGISTERED NURSE II	58,392	L	60,564	1.00	0.96	2	2.0%	1,168	3.0%	1,752	5.0%	2,920	61,312	62,381	0.98	2	2.0%	1,226	3.0%	1,839	5.0%	3,065	64,377	64,252	1.00	3
25.4	REGISTERED NURSE II	60,096	L	60,564	1.00	0.99	2	2.0%	1,202	5.0%	3,005	7.0%	4,207	64,303	62,381	1.03	3	0.0%	-	5.0%	3,215	5.0%	3,215	67,518	64,252	1.05	3
6.7	REGISTERED NURSE II	46,716	L	60,564	0.50	0.77	1	4.0%	1,869	3.0%	1,401	7.0%	3,270	49,986	62,381	0.80	1	4.0%	1,999	3.0%	1,500	7.0%	3,499	53,485	64,252	0.83	1
22.7	REGISTERED NURSE II	57,312	L	60,564	1.00	0.95	2	2.0%	1,146	5.0%	2,866	7.0%	4,012	61,324	62,381	0.98	2	2.0%	1,226	5.0%	3,066	7.0%	4,292	65,616	64,252	1.02	3
1.3	REGISTERED NURSE II	48,504	L	60,564	1.00	0.80	1	4.0%	1,940	3.0%	1,455	7.0%	3,395	51,899	62,381	0.83	1	4.0%	2,076	3.0%	1,557	7.0%	3,633	55,532	64,252	0.86	1
16.2	REGISTERED NURSE II	56,856	L	60,564	1.00	0.94	2	2.0%	1,137	5.0%	2,843	7.0%	3,980	60,836	62,381	0.98	2	2.0%	1,217	5.0%	3,042	7.0%	4,259	65,095	64,252	1.01	3
21.4	REGISTERED NURSE II	65,184	L	60,564	1.00	1.08	3	0.0%	-	3.0%	1,956	3.0%	1,956	67,140	62,381	1.08	3	0.0%	-	3.0%	2,014	3.0%	2,014	69,154	64,252	1.08	3
21.9	REGISTERED NURSE II	56,160	L	60,564	1.00	0.93	2	2.0%	1,123	5.0%	2,808	7.0%	3,931	60,091	62,381	0.96	2	2.0%	1,202	5.0%	3,005	7.0%	4,207	64,298	64,252	1.00	3
7.3	REGISTERED NURSE II	55,930	L	60,564	0.80	0.92	2	2.0%	1,119	3.0%	1,678	5.0%	2,797	58,727	62,381	0.94	2	2.0%	1,175	3.0%	1,762	5.0%	2,937	61,664	64,252	0.96	2
33.6	REGISTERED NURSE II	63,432	L	60,564	1.00	1.05	3	0.0%	-	5.0%	3,172	5.0%	3,172	66,604	62,381	1.07	3	0.0%	-	5.0%	3,330	5.0%	3,330	69,934	64,252	1.09	3
3.5	REGISTERED NURSE II	48,900	L	60,564	1.00	0.81	1	4.0%	1,956	3.0%	1,467	7.0%	3,423	52,323	62,381	0.84	1	4.0%	2,093	3.0%	1,570	7.0%	3,663	55,986	64,252	0.87	1
6.3	REGISTERED NURSE II	50,676	L	60,564	1.00	0.84	1	4.0%	2,027	5.0%	2,534	9.0%	4,561	55,237	62,381	0.89	2	2.0%	1,105	5.0%	2,762	7.0%	3,867	59,104	64,252	0.92	2
14.0	REGISTERED NURSE II	51,600	L	60,564	1.00	0.85	1	4.0%	2,064	3.0%	1,548	7.0%	3,612	55,212	62,381	0.89	2	2.0%	1,104	3.0%	1,656	5.0%	2,760	57,972	64,252	0.90	2
35.6	REGISTERED NURSE II	63,348	L	60,564	1.00	1.05	3	0.0%	-	5.0%	3,167	5.0%	3,167	66,515	62,381	1.07	3	0.0%	-	5.0%	3,326	5.0%	3,326	69,841	64,252	1.09	3
22.7	REGISTERED NURSE II	64,596	L	60,564	1.00	1.07	3	0.0%	-	3.0%	1,938	3.0%	1,938	66,534	62,381	1.07	3	0.0%	-	3.0%	1,996	3.0%	1,996	68,530	64,252	1.07	3
25.2	REGISTERED NURSE II	64,895	L	60,564	0.50	1.07	3	0.0%	-	5.0%	3,245	5.0%	3,245	68,140	62,381	1.09	3	0.0%	-	5.0%	3,407	5.0%	3,407	71,547	64,252	1.11	3
1.4	REGISTERED NURSE II	49,188	L	60,564	1.00	0.81	1	4.0%	1,968	3.0%	1,476	7.0%	3,444	52,632	62,381	0.84	1	4.0%	2,105	3.0%	1,579	7.0%	3,684	56,316	64,252	0.88	2
13.3	REGISTERED NURSE II	51,300	L	60,564	1.00	0.85	1	4.0%	2,052	5.0%	2,565	9.0%	4,617	55,917	62,381	0.90	2	2.0%	1,118	5.0%	2,796	7.0%	3,914	59,831	64,252	0.93	2
0.1	REGISTERED NURSE II	59,160	L	60,564	1.00	0.98	2	2.0%	1,183	3.0%	1,775	5.0%	2,958	62,118	62,381	1.00	3	0.0%	-	3.0%	1,864	3.0%	1,864	63,982	64,252	1.00	3
15.7	REGISTERED NURSE II	53,952	L	60,564	1.00	0.89	2	2.0%	1,079	5.0%	2,698	7.0%	3,777	57,729	62,381	0.93	2	2.0%	1,155	5.0%	2,886	7.0%	4,041	61,770	64,252	0.96	2
11.3	REGISTERED NURSE II	60,631	L	60,564	0.90	1.00	3	0.0%	-	3.0%	1,819	3.0%	1,819	62,450	62,381	1.00	3	0.0%	-	3.0%	1,874	3.0%	1,874	64,324	64,252	1.00	3
11.1	REGISTERED NURSE II	56,970	L	60,564	0.90	0.94	2	2.0%	1,139	5.0%	2,849	7.0%	3,988	60,958	62,381	0.98	2	2.0%	1,219	5.0%	3,048	7.0%	4,267	65,225	64,252	1.02	3
21.3	REGISTERED NURSE II	61,272	L	60,564	1.00	1.01	3	0.0%	-	3.0%	1,838	3.0%	1,838	63,110	62,381	1.01	3	0.0%	-	3.0%	1,893	3.0%	1,893	65,003	64,252	1.01	3
28.0	REGISTERED NURSE II	53,788	L	60,564	0.40	0.89	2	2.0%	1,076	5.0%	2,689	7.0%	3,765	57,553	62,381	0.92	2	2.0%	1,151	5.0%	2,878	7.0%	4,029	61,582	64,252	0.96	2
20.3	REGISTERED NURSE II	63,376	L	60,564	0.50	1.05	3	0.0%	-	3.0%	1,901	3.0%	1,901	65,277	62,381	1.05	3	0.0%	-	3.0%	1,958	3.0%	1,958	67,235	64,252	1.05	3
14.3	REGISTERED NURSE II	51,300	L	60,564	1.00	0.85	1	4.0%	2,052	5.0%	2,565	9.0%	4,617	55,917	62,381	0.90	2	2.0%	1,118	5.0%	2,796	7.0%	3,914	59,831	64,252	0.93	2
8.1	REGISTERED NURSE II	58,092	L	60,564	1.00	0.96	2	2.0%	1,162	3.0%	1,743	5.0%	2,905	60,997	62,381	0.98	2	2.0%	1,220	3.0%	1,830	5.0%	3,050	64,047	64,252	1.00	3
8.4	REGISTERED NURSE II	51,024	L	60,564	1.00	0.84	1	4.0%	2,041	5.0%	2,551	9.0%	4,592	55,616	62,381	0.89	2	2.0%	1,112	5.0%	2,781	7.0%	3,893	59,509	64,252	0.93	2
3.9	REGISTERED NURSE II	60,348	L	60,564	1.00	1.00	3	0.0%	-	3.0%	1,810	3.0%	1,810	62,158	62,381	1.00	3	0.0%	-	3.0%	1,865	3.0%	1,865	64,023	64,252	1.00	3
15.9	REGISTERED NURSE II	58,680	L	60,564	1.00	0.97	2	2.0%	1,174	5.0%	2,934	7.0%	4,108	62,788	62,381	1.01	3	0.0%	-	5.0%	3,139	5.0%	3,139	65,927	64,252	1.03	3
18.3	REGISTERED NURSE III	68,352	M	66,332	1.00	1.03	3	0.0%	-	3.0%	2,051	3.0%	2,051	70,403	68,322	1.03	3	[illegible]	-	3.0%	2,112	3.0%	2,112	72,515	70,372	1.03	3

	Relativity to Market Policy Position *		+ Meet Standards	+ Exceed Standards
MPP +	0%			
2nd Qtl	1 - 2.0%	+	3.0%	5.0%
1st Qtl	2 - 4.0%			

* ALL increases contingent upon Performance Meeting Standards

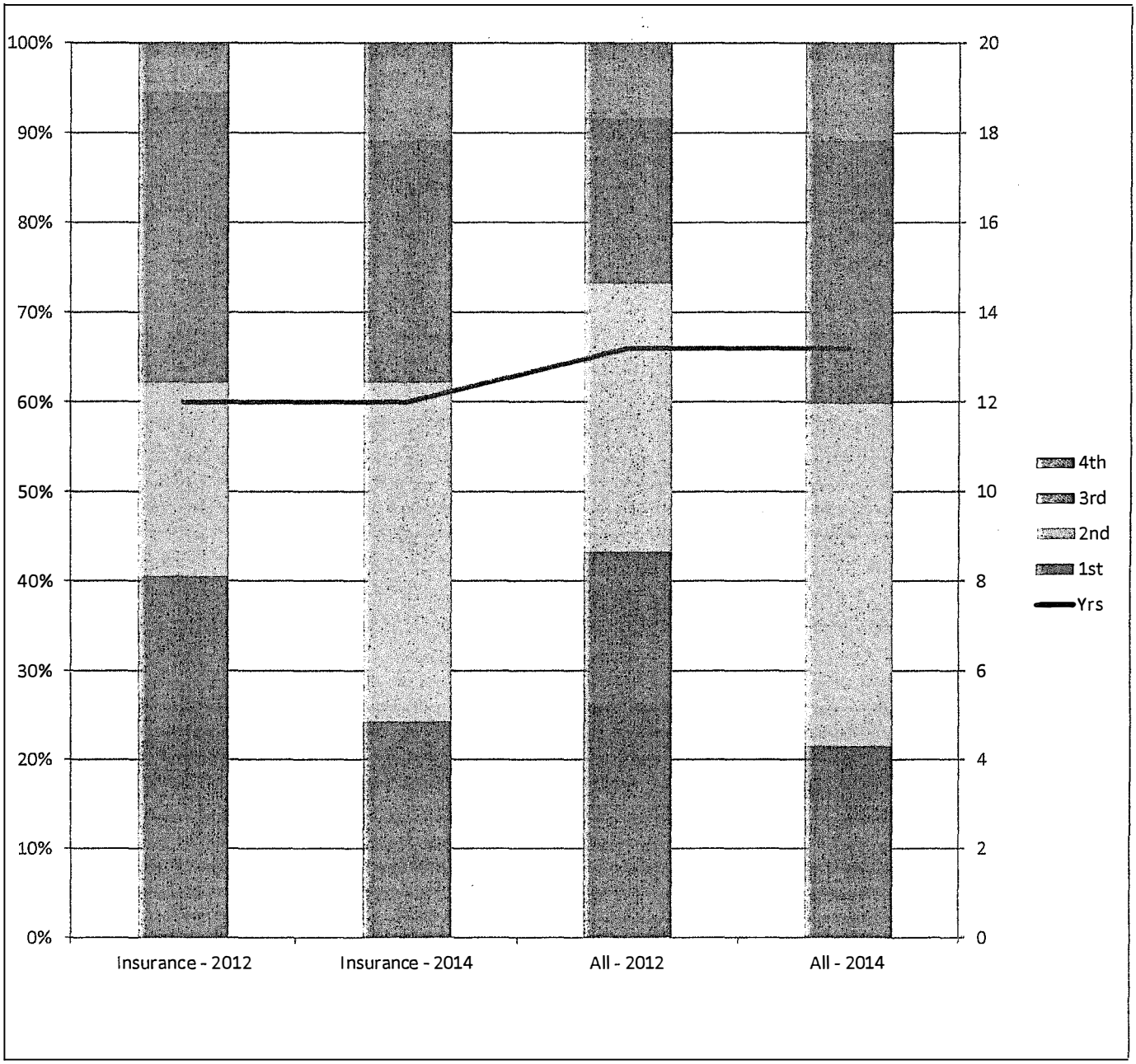
Current C/R	Projected 2013 C/R	Projected 2014 C/R
0.86	0.89	0.92

EXAMPLE

		CURRENT						2013										2014									
								Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2013				Market Policy Position Increase		Performance Increase		Total Increase		After July 1, 2014			
Yrs Svc	Job Title	FTE Ann Sal	Grade	Market Policy Point	FTE	C/R (Current)	2012 Qtl	%%	$$	%%	$$	%%	$$	2013 New Salary	New MPP (3% range increment)	2013 New C/R	2013 Qtl	%%	$$	%%	$$	%%	$$	2014 New Salary	New MPP (3% range increment)	2014 New C/R	2014 Qtl
3.1	NURSE PRACTITIONER	73,284	O	80,855	1.00	0.91	2	2.0%	1,466	3.0%	2,199	5.0%	3,665	76,949	83,281	0.92	2	2.0%	1,539	3.0%	2,308	5.0%	3,847	80,796	85,779	0.94	2
36.1	ADMIN ASSISTANT II	41,748	H	41,612	1.00	1.00	3	0.0%	-	5.0%	2,087	5.0%	2,087	43,835	42,860	1.02	3	0.0%	-	5.0%	2,192	5.0%	2,192	46,027	44,146	1.04	3
35.3	DIR OF HEALTH SVCS ADMIN	78,252	P	85,799	1.00	0.91	2	2.0%	1,565	3.0%	2,348	5.0%	3,913	82,165	88,373	0.93	2	2.0%	1,643	3.0%	2,465	5.0%	4,108	86,273	91,024	0.95	2
16.6	REGISTERED NURSE III	68,431	M	66,332	0.12	1.03	3	0.0%	-	5.0%	3,422	5.0%	3,422	71,853	68,322	1.05	3	0.0%	-	5.0%	3,593	5.0%	3,593	75,446	70,372	1.07	3
6.8	DIRECT CARE SUPERVISOR	33,648	H	41,612	1.00	0.81	1	4.0%	1,346	3.0%	1,009	7.0%	2,355	36,003	42,860	0.84	1	4.0%	1,440	3.0%	1,080	7.0%	2,520	38,523	44,146	0.87	1
6.3	CUSTODIAN, INSTITUTIONS	22,368	C	26,986	1.00	0.83	1	4.0%	895	5.0%	1,118	9.0%	2,013	24,381	27,796	0.88	2	2.0%	488	5.0%	1,219	7.0%	1,707	26,088	28,630	0.91	2
23.9	CUSTODIAN, INSTITUTIONS	27,876	C	26,986	1.00	1.03	3	0.0%	-	3.0%	836	3.0%	836	28,712	27,796	1.03	3	0.0%	-	3.0%	861	3.0%	861	29,573	28,630	1.03	3
27.4	DENTAL HYGIENIST	67,212	L	60,564	1.00	1.11	3	0.0%	-	5.0%	3,361	5.0%	3,361	70,573	62,381	1.13	4	0.0%	-	5.0%	3,529	5.0%	3,529	74,102	64,252	1.15	4
14.7	PHARMACIST I	100,260	Q	91,567	1.00	1.09	3	0.0%	-	3.0%	3,008	3.0%	3,008	103,268	94,314	1.09	3	0.0%	-	3.0%	3,098	3.0%	3,098	106,366	97,143	1.09	3
17.4	PHARMACIST II	107,265	S	105,678	0.80	1.02	3	0.0%	-	5.0%	5,363	5.0%	5,363	112,628	108,848	1.03	3	0.0%	-	5.0%	5,631	5.0%	5,631	118,259	112,113	1.05	3
36.6	REGISTERED PHARMACY TECH	37,476	G	37,801	1.00	0.99	2	2.0%	750	3.0%	1,124	5.0%	1,874	39,350	38,935	1.01	3	0.0%	-	3.0%	1,181	3.0%	1,181	40,531	40,103	1.01	3
30.9	MEDICAL LAB TECH II	47,652	I	45,938	1.00	1.04	3	0.0%	-	5.0%	2,383	5.0%	2,383	50,035	47,316	1.06	3	0.0%	-	5.0%	2,502	5.0%	2,502	52,537	48,735	1.08	3
2.8	MEDICAL LAB TECH II	42,780	I	45,938	1.00	0.93	2	2.0%	856	3.0%	1,283	5.0%	2,139	44,919	47,316	0.95	2	2.0%	898	3.0%	1,348	5.0%	2,246	47,165	48,735	0.97	2
11.7	ADMIN ASSISTANT I	28,032	F	34,505	1.00	0.81	1	4.0%	1,121	5.0%	1,402	9.0%	2,523	30,555	35,540	0.86	1	4.0%	1,222	5.0%	1,528	9.0%	2,750	33,305	36,606	0.91	2
29.2	ADMIN STAFF OFFICER I	45,692	J	50,985	0.65	0.90	2	2.0%	914	3.0%	1,371	5.0%	2,285	47,977	52,515	0.91	2	2.0%	960	3.0%	1,439	5.0%	2,399	50,376	54,090	0.93	2
14.6	PHYS THER AIDE-DEV CNTR	30,312	F	34,505	1.00	0.88	2	2.0%	606	5.0%	1,516	7.0%	2,122	32,434	35,540	0.91	2	2.0%	649	5.0%	1,622	7.0%	2,271	34,705	36,606	0.95	2
11.3	PHYS THER AIDE-DEV CNTR	29,724	F	34,505	1.00	0.86	1	4.0%	1,189	3.0%	892	7.0%	2,081	31,805	35,540	0.89	2	2.0%	636	3.0%	954	5.0%	1,590	33,395	36,606	0.91	2
13.3	PHYS THER AIDE-DEV CNTR	30,900	F	34,505	1.00	0.90	2	2.0%	618	5.0%	1,545	7.0%	2,163	33,063	35,540	0.93	2	2.0%	661	5.0%	1,653	7.0%	2,314	35,377	36,606	0.97	2
29.7	PHYS THER AIDE-DEV CNTR	34,980	F	34,505	1.00	1.01	3	0.0%	-	3.0%	1,049	3.0%	1,049	36,029	35,540	1.01	3	0.0%	-	3.0%	1,081	3.0%	1,081	37,110	36,606	1.01	3
21.0	PHYSICAL THERAPIST	82,590	N	73,130	0.80	1.13	4	0.0%	-	5.0%	4,130	5.0%	4,130	86,720	75,324	1.15	4	0.0%	-	5.0%	4,336	5.0%	4,336	91,056	77,584	1.17	4
24.1	DIR OF PHYSICAL THERAPY	87,564	O	80,855	1.00	1.08	3	0.0%	-	3.0%	2,627	3.0%	2,627	90,191	83,281	1.08	3	0.0%	-	3.0%	2,706	3.0%	2,706	92,897	85,779	1.08	3
5.3	DIR OF PHYSICAL THERAPY	65,860	O	80,855	0.60	0.81	1	4.0%	2,634	5.0%	3,293	9.0%	5,927	71,787	83,281	0.86	1	4.0%	2,871	5.0%	3,589	9.0%	6,460	78,247	85,779	0.91	2
4.1	OCCUPATIONAL THERAPIST	63,288	M	66,332	0.50	0.95	2	2.0%	1,266	3.0%	1,899	5.0%	3,165	66,453	68,322	0.97	2	2.0%	1,329	3.0%	1,994	5.0%	3,323	69,776	70,372	0.99	2
16.3	OCCUPATIONAL THERAPIST	66,000	M	66,332	0.60	0.99	2	2.0%	1,320	5.0%	3,300	7.0%	4,620	70,620	68,322	1.03	3	0.0%	-	5.0%	3,531	5.0%	3,531	74,151	70,372	1.05	3
36.9	OCCUPATIONAL THERAPIST	70,752	M	66,332	0.50	1.07	3	0.0%	-	3.0%	2,123	3.0%	2,123	72,875	68,322	1.07	3	0.0%	-	3.0%	2,186	3.0%	2,186	75,061	70,372	1.07	3
26.9	DIR OF OCC THERAPY	74,160	O	80,855	0.50	0.92	2	2.0%	1,483	5.0%	3,708	7.0%	5,191	79,351	83,281	0.95	2	2.0%	1,587	5.0%	3,968	7.0%	5,555	84,906	85,779	0.99	2
3.3	CERT OCC THERAPY ASST II	35,904	H	41,612	0.50	0.86	1	4.0%	1,436	3.0%	1,077	7.0%	2,513	38,417	42,860	0.90	2	2.0%	768	3.0%	1,153	5.0%	1,921	40,338	44,146	0.91	2
26.1	CERT OCC THERAPY ASST II	38,880	H	41,612	1.00	0.93	2	2.0%	778	5.0%	1,944	7.0%	2,722	41,602	42,860	0.97	2	2.0%	832	5.0%	2,080	7.0%	2,912	44,514	44,146	1.01	3
11.9	CERT OCC THERAPY ASST II	36,828	H	41,612	1.00	0.89	2	2.0%	737	3.0%	1,105	5.0%	1,842	38,670	42,860	0.90	2	2.0%	773	3.0%	1,160	5.0%	1,933	40,603	44,146	0.92	2
5.4	CERT OCC THERAPY ASST II	37,056	H	41,612	0.50	0.89	2	2.0%	741	5.0%	1,853	7.0%	2,594	39,650	42,860	0.93	2	2.0%	793	5.0%	1,983	7.0%	2,776	42,426	44,146	0.96	2
30.3	ADAPTIVE EQUIP SPEC II	52,920	K	55,414	1.00	0.95	2	2.0%	1,058	3.0%	1,588	5.0%	2,646	55,566	57,076	0.97	2	2.0%	1,111	3.0%	1,667	5.0%	2,778	58,344	58,788	0.99	2
5.9	ADAPTIVE EQUIP SPEC II	42,408	K	55,414	1.00	0.77	1	4.0%	1,696	5.0%	2,120	9.0%	3,816	46,224	57,076	0.81	1	4.0%	1,849	5.0%	2,311	9.0%	4,160	50,384	58,788	0.86	1
12.0	ADAPTIVE EQUIP SPEC II	45,048	K	55,414	1.00	0.81	1	4.0%	1,802	3.0%	1,351	7.0%	3,153	48,201	57,076	0.84	1	4.0%	1,928	3.0%	1,446	7.0%	3,374	51,575	58,788	0.88	2
11.3	BEHAVIOR MOD SPEC II	45,420	L	60,564	1.00	0.75	1	4.0%	1,817	5.0%	2,271	9.0%	4,088	49,508	62,381	0.79	1	4.0%	1,980	5.0%	2,475	9.0%	4,455	53,963	64,252	0.84	1
0.4	PSYCHOMETRIST	32,593	J	50,985	0.40	0.64	1	4.0%	1,304	3.0%	978	7.0%	2,282	34,875	52,515	0.66	1	4.0%	1,395	3.0%	1,046	7.0%	2,441	37,316	54,090	0.69	1
4.1	LICENSED PSYCHOLOGIST I	70,260	P	85,799	1.00	0.82	1	4.0%	2,810	5.0%	3,513	9.0%	6,323	76,583	88,373	0.87	1	4.0%	3,063	5.0%	3,829	9.0%	6,892	83,475	91,024	0.92	2
29.2	LICENSED PSYCHOLOGIST II	100,476	Q	91,567	1.00	1.10	3	0.0%	-	3.0%	3,014	3.0%	3,014	103,490	94,314	1.10	3	0.0%	-	3.0%	3,105	3.0%	3,105	106,595	97,143	1.10	3
22.8	AUD/SPEECH LANG PATH III	57,192	N	73,130	1.00	0.78	1	4.0%	2,288	5.0%	2,860	9.0%	5,148	62,340	75,324	0.83	1	4.0%	2,494	5.0%	3,117	9.0%	5,611	67,951	77,584	0.88	2
5.7	DIRECT CARE ASSOCIATE II	24,440	E	31,724	0.80	0.77	1	4.0%	978	3.0%	733	7.0%	1,711	26,151	32,676	0.80	1	4.0%	1,046	3.0%	785	7.0%	1,831	27,982	33,656	0.83	1
29.9	SOCIAL WORKER II	53,196	K	55,414	1.00	0.96	2	2.0%	1,064	5.0%	2,660	7.0%	3,724	56,920	57,076	1.00	3	0.0%	-	5.0%	2,846	5.0%	2,846	59,766	58,788	1.02	3
27.3	DIETITIAN II	58,224	K	55,414	1.00	1.05	3	0.0%	-	3.0%	1,747	3.0%	1,747	59,971	57,076	1.05	3	0.0%	-	3.0%	1,799	3.0%	1,799	61,770	58,788	1.05	3

HB 1012
2/5/2013 PM
Attachment #4

401 - Insurance - 2012-14 Quartile Charts



HB 1012
2/6/2013
Attachment #1

Protection & Advocacy Project **Disabilities Advocate Performance Appraisal** 6.10

Employee: P&A office: Supervisor:	Date appraisal completed: Date of employee/supervisor meeting: Date of most recent previous appraisal:

Time period covered by this evaluation:

Employment history with P&A:

SCALE: 5=Outstanding 4=Exceeds expectations 3=Meets job requirements 2=Needs improvement 1=Unsatisfactory
(Refer to the established performance standards for Disabilities Advocate position)

	JOB ELEMENTS	Rating
1	**PROTECTIVE SERVICES**	
a	Receives reports of alleged abuse, neglect, & exploitation; seeks out information through interviews, record reviews, etc. in order to make a determination of P&A eligibility & probable cause as well as potential risk to an individual or individuals	
	Comments:	
b	Advocates for the provision of risk management for alleged victims &/or arranges for protective services as needed	
	Comments:	
c	Conducts thorough and objective investigations of allegations; completes detailed reports of investigations that include relevant laws, rules, regulations, standards, policies & procedures	
	Comments:	
d	Completes investigations within timelines or monitors timelines and takes pro-active steps to request approval for extensions and provide supervisor with information to support the request.	
	Comments:	
e	Coordinates with law enforcement, Child Protective Services, Aging Services, individual providers, licensing entities, & others as needed	
	Comments:	

f	Conducts follow-up activity to ensure individuals receives necessary services & assistance & that his/her rights are not violated	
	Comments:	
g	Provides 24-hour emergency on-call coverage on a rotating basis	
	Comments:	
	Protective Services Score (sum of 1a thru 1g)	
2	**CLIENT REPRESENTATION**	
a	Receives referrals relative to perceived rights violations, conducts intakes (including records reviews, interviews, completion of "alleged rights violations", legal research, observations) to determine P&A eligibility under different federal advocacy programs & the agency's priorities	
	Comments:	
b	Facilitates the development of a plan with the client (&/or others as appropriate) which outlines a course of action for responding to rights violations & fulfilling the client's unmet needs relative to his/her disability	
	Comments:	
c	Provides advocacy representation to resolve the rights violation(s) in the client's favor; promotes self advocacy on the part of the client & his/her family/guardian, as appropriate	
	Comments:	
d	As appropriate, refers the client's case to legal counsel for legal representation & assists counsel with case preparation	
	Comments:	
e	Exhibits a willingness to help colleagues with workloads & responsibilities	
	Comments:	
	Client Representation Score (sum of 2a thru 2f)	
3	**INFORMATION & RERERRAL SERVICES**	
a	Maintains resource information relative to the rights of people with disabilities as well as information about services & providers throughout the State; responds to requests for information regarding the rights & services applicable to individuals with disabilities	
	Comments:	
b	Refers individuals to appropriate & useful entities to obtain needed services, benefits, &/or information	
	Comments:	

	Information & Referral Services Score (sum of 3a plus 3b)	
4	**MANAGEMENT**	
a	Manages advocacy program responsibilities for a multi-county region; continually re-evaluates client caseload, program objectives, requests for educational activities, etc. & prioritizes work on an ongoing basis	
	Comments:	
b	Maintains the office & its operations to meet the needs of the advocacy programs; office & its operations are in compliance with standards for accessibility for individuals with disabilities; as directed, conducts negotiations with landlord, building manager &/or city regarding accommodations; as appropriate, assists with identifying & contracting with service providers (e.g. interpreters)	
	Comments:	
c	Maintains P&A office equipment in working order & coordinates with the Administrative Office regarding purchases & repairs	
	Comments:	
d	As applicable, trains, supervises, & evaluates support staff, practicum students & volunteers	
	Comments:	
e	Participates in the annual planning of program priorities, goals & objectives along with seeking consumer/family member input on these activities	
	Comments:	
	Management Score (sum of 4a thru 4e)	
5	**COMMUNITY EDUCATION & PUBLIC RELATIONS**	
a	Works cooperatively with other P&A staff in the development of training protocols	
	Comments:	
b	Conducts presentations & group training activities on a community, regional & state-wide level, as outlined in program objectives, in response to requests, & as identified as a need for a specific community/group	
	Comments:	
c	Distributes P&A information & educational materials	
	Comments:	
d	Provides information to service providers to assist them with the development/revision of agency policies, rules, & procedures	
	Comments:	

e	Testifies as requested before rule-making bodies & Legislative committees relative to issues that will impact on individuals with disabilities	
	Comments:	
f	In coordination with the Administrative Office, engages in activities with the media relative to issues affecting individuals with disabilities	
	Comments:	
g	Conducts outreach activities in rural, isolated communities & with minority populations	
	Comments:	
	Community Education & Public Relations Score (sum of 5a thru 5g)	
6	**RECORDS & DATA MANAGEMENT**	
a	Develops & maintains a current file for each case of client assistance, representation &/or protective services; thoroughly & accurately documents all work activity & completes required reports & intakes in conformity with P&A policies & procedures	
	Comments:	
b	Documents all non-case related activity including information & referral activities, education & training activities provided & received, work on systems advocacy, etc.	
	Comments:	
c	Tracks & documents work completed on program objectives	
	Comments:	
d	Submits required data & reports to the P&A Administrative Office within set timelines	
	Comments:	
e	Maintains all files & records in accordance with P&A's record retention schedule	
	Comments:	
f	Assists with the development & revision of P&A forms, policies, & reporting requirements	
	Comments:	
	Records & Data Management Score (sum of 6a thru 6f)	
7	**SYSTEMS ADVOCACY**	
a	Identifies systems problems that impact on the rights of people with disabilities; researches the issues, including applicable laws, rules, regulations, etc.	
	Comments:	
b	Facilitates the formulation of an action plan to respond to priority systems issues, collaborating with consumers, family members, P&A personnel, other advocacy entities, service providers, etc.	

	Comments:	
c	Implements (& assists others with implementing) a spectrum of strategies to resolve issues in favor of individuals with disabilities, including a referral to legal counsel as appropriate	
	Comments:	
d	Serves as a member of external multi-agency task forces & committees which are addressing systems issues which impact on individuals with disabilities	
	Comments:	
e	Serves as a member of P&A multi-agency task forces & committees which are addressing systems issues which impact on individuals with disabilities	
	Comments:	
f	Researches & analyzes proposed rules, laws, policies, & regulations that will impact individuals with disabilities & provides written comments	
	Comments:	
	Systems Advocacy Score (sum of 7a thru 7f)	

TOTAL SCORE: total rating ÷ 38 = _____

____ Employee's job performance does NOT warrant a corrective action plan. General recommendations are as follows:

____ Employee's job performance WARRANTS a corrective action plan (see attached).

Other comments:

Supervisor's signature:

Date:

___ I agree with the performance appraisal.
___ I do NOT agree with the performance appraisal.

Comments:

Employee's signature:

Date:

___ (#) of the employee's client files were reviewed by me. (Completed file review reports must be attached.)

Date **original** filed in employee's personnel file:

Date copy provided to employee:

Date copy provided to Executive Director:

Supervisor's signature that the above was completed:

HHS 101C
2/6/2013
Attachment #2

DISABILITIES ADVOCATE - N.D. PROTECTION & ADVOCACY PROJECT
PERFORMANCE STANDARDS

5=outstanding 4=exceeds expectations 3=meets job requirements 2=needs improvement 1=unsatisfactory

8.29.05

	ESSENTIAL JOB ELEMENTS	UNSATISFACTORY	MEETS JOB REQUIRMENTS	OUTSTANDING
1	**PROTECTIVE SERVICES**			
a	Receives reports of alleged a/n/e; seeks out information through interviews, record reviews, etc. in order to make a determination of P&A eligibility & probable cause as well as the level of risk an individual or individuals may be exposed to.	Timelines not adhered to; does not consistently implement RDG's &/or apply P&A eligibility criteria	With few exceptions, completes related activities within required timelines; demonstrates knowledge & consistent use of RDG's & P&A eligibility criteria	Always completes all activities within required timelines
b	As necessary, advocates for the provision of risk management for the alleged victim &/or arranges for protective services.	Fails to identify &/or implement risk management in a timely manner	Addresses risk management within 24 hours of determination of probable cause	Develops & implements effective plans for risk management & protective services for all clients in a timely manner
c	Conducts thorough investigations of allegations & completes detailed reports for each, including the resulting research of relevant laws, rules, regulations, standards, policies & procedures.	Fails to consistently meet timelines; investigations &/or reports are not thorough &/or objective	Completes investigations & submits reports per agency policies & procedures (timely, thorough, objective)	Need for timeline extensions is rare; investigations & reports do not require additional work after supervisory review
d	Coordinates with law enforcement, Child Protective Services, Aging Services, individual providers, & licensing entities as needed.	No consistent communication with listed entities	Ensures appropriate stakeholders are informed & involved	Pro-actively develops a positive working relationship with listed entities through out the region

e	Provides follow-up activity to ensure the individual receives necessary services & assistance & that his/her rights are not violated.	Fails to take steps to address clients' needs in a timely manner	Ensures protective services recommendations are carried out in a timely manner	Ensures clients receive services needed to resolve all a/n/e issues in a timely manner
f	Provides 24-hour emergency on-call coverage on a rotating basis.	Fulfills on-call responsibilities, as scheduled, < 50% of the time; does not respond appropriately or in a timely way to callers	Fulfills rotation as scheduled; responds appropriately & within timelines per agency policies & procedures	
2	**CLIENT REPRESENTATION**			
a	Receives referrals relative to perceived rights violations, conducts intakes (including records reviews, interviews, completion of "alleged rights violations", legal research, observations) to determine P&A eligibility under different federal advocacy programs.	Fails to obtain adequate information necessary to determine the issue &/or eligibility; does not consistently meet timelines	With few exceptions, completes related activities within required timelines; has knowledge of & consistently uses case mgt. policies & procedures; helps caller identify problems that fit within P&A priorities & provides I&R on concerns that do not fit	Always completes all activities within required timelines; always helps callers identify problems ("pulls out info."); is consistent with assessing eligibility and whether issues fall into agency priorities
b	Facilitates the development of a plan with the client (&/or others as appropriate) which outlines a course of action for responding to rights violations & fulfilling the client's unmet needs relative to his/her disability.	Action plans do not exist or are inadequate or are not developed with the client	File documentation shows evidence of action plan development with clients for all assistance/representation level cases	Outcome-orientated action plans are in all files; plans show the promotion of self advocacy & are updated as appropriate; plans are individualized & show creativity
c	Provides advocacy through a spectrum	Fails to provide	Case documentation	Case documentation

	of methods to resolve the rights violation(s) in the client's favor, while at the same time promoting self advocacy on the part of the client & his/her family/guardian.	proactive, effective advocacy in a timely manner; advocacy is reactive; fails to communicate with clients consistent with case mgt. protocol	reflects assertive, pro-active advocacy on behalf of all clients towards effective protection of the individuals' rights	reflects dynamic advocacy, using a variety of methods, to achieve problem resolution for a majority of clients
d	As appropriate, refers the client's case to legal counsel for legal representation & assists counsel with case preparation.	Fails to make timely referrals; fails to complete necessary research	Provides adequate information to legal team allowing them to make a decision for legal representation; works cooperatively with the attorney to prepare the case for legal action	Completes extensive legal research & correlating analysis for all referrals to the legal team; partners with the attorney to implement a team approach to representation
e	Solicits participation by clients/representatives in the agency's consumer satisfaction survey	Obtains consent for participation on less than 50% of client cases	Obtains consent for participation on a minimum of 75% of client cases	Obtains consent for participation on ≥ 95% of client cases
f	Exhibits a willingness to help colleagues with workloads & responsibilities	Helps others begrudgingly & only when told to do so by his/her supervisor	Willingly helps others when asked to do so by his/her supervisor	Volunteers to help colleagues & follows through
3	**INFORMATION & RERERRAL SERVICES**			
a	Maintains resource information relative to the rights of people with disabilities as well as information about services & providers throughout the State; Responds to requests for information regarding the rights & services applicable to individuals with disabilities.	Doesn't adequately document I&R's; doesn't respond to callers in a timely or effective manner	Demonstrates knowledge of information & services regarding persons with disabilities through accurate documentation of responding to calls & requests on I&R forms	Documentation shows the provision of a variety of resources to callers to help them address their problems; verifies that the info. provided was helpful
b	Refers individuals to appropriate	Fails to respond to	Identifies other entities	Consistently

	entities to obtain needed services, benefits, &/or information.	callers in a timely manner &/or to assess helpfulness of referral activities	for referral to help callers address problems appropriately	document follow up contact to verify the caller ultimately received help
4	**MANAGEMENT**			
a	Manages advocacy program responsibilities for a multi-county region; continually re-evaluates client caseload, program objectives, requests for educational activities, etc. & prioritizes work on an ongoing basis.	Exhibits lack of skills/habits in the areas of time mgt, organization, prioritization, effective communication with supervisor, adherence with P&A policies & procedures; overall lack of quality services	Exhibits principles of time mgt, organization, ongoing prioritization, effective communication with supervisor; adheres to agency policies & procedures	Works with supervisor to pro-actively address regional needs greater than existing resources or availability of regional resources to address statewide needs
b	Maintains an office & office operations that meet the needs of the advocacy programs & that are in compliance with standards for accessibility for individuals with disabilities; may include negotiations with a landlord, building manager &/or city regarding accommodations; as appropriate, assists with identifying & contracting with service providers (e.g. interpreters).	Failure to provide for physical accessibility & services in accordance with the law, P&A policies, etc.	Ensures provision of physical accessibility & services in accordance with the law, P&A policies, etc.	Identifies resources to meet needs for accommodations; when absent, ensures current contact info. is available to callers
c	Maintains P&A office equipment in working order & coordinates with the Administrative Office regarding purchases & repairs.	Does not identify or communicate the need for repairs or replacement of equipment; does not order or maintain	Identifies need for repair or replacement of equipment & communicates this on a timely basis to the Adm. Office; coordinates	Provides information proactively regarding options/costs for equipment repair or replacement; submits completed

		supplies	ordering of supplies with Adm. Ass't; maintains appropriate inventory & accounting of agency property	"request to expend funds" form for unusual requests
d	As applicable, trains, supervises, & evaluates support staff, practicum students & volunteers.	Has/had a support staff, student or volunteer & has not provided adequate orientation, training, supervision &/or evaluation	Documentation shows adequate orientation, training, supervision, & evaluation is/was provided	Recruits students &/or volunteers; provides a meaningful experience as exhibited through documentation & feedback
e	Participates in the annual planning of program priorities, goals & objectives along with seeking consumer/family member input on these activities.	Fails to be an active participant in the process; fails to solicit consumer/family input	Assists with soliciting consumer/family input; actively participates in issue team preparation & presentation; contributes through dialogue to other team proposals	Actively works with issue team to develop work plans that meet standards as well as progress reports; participation is constructive & "on point"
5	**COMM. EDUC. & PUBLIC RELATIONS**			
a	Works cooperatively with other P&A staff in the development of training protocols.	Fails to respond to requests to assist with the development of training protocols or does not follow through in a timely manner	Demonstrates active involvement in the development of at least one training or community education activity	Consistently demonstrates initiative; develops training or community education materials in a variety of modalities; self-education efforts are apparent throughout activities
b	Conducts presentations & group training activities on a community,	Fails to seek opportunities or	Responds to all requests, directly or through other	Pro-actively identifies opportunities to

	regional & state-wide level, as outlined in program objectives, in response to requests, & as identified as a need for a specific community/group.	respond to requests for education & training	P&A staff, to provide training or presentations to outside entities; follow through is timely	address regional &/or statewide advocacy issues through training & community education
c	Distributes P&A information & educational materials.	Fails to conduct outreach or community education activities consistent with requests or agency outreach plans	Responds to all requests for materials & information; provides materials & information consistent with agency outreach plans	Consistently & proactively identifies opportunities & provides outreach, education & training activities
d	Provides information to service providers to assist them with the development/revision of agency policies, rules, & procedures.	Does not respond to requests for services &/or technical assistance by service providers	Documentation reflects that technical assistance was provided to agencies in regard to their policies & procedures to ensure that consumers' rights are protected	Active participation with service providers to ensure that their policies are consistent with the law relative to client rights; provides third party information on best practices
e	Testifies as requested before rule-making bodies & Legislative committees relative to issues that will impact on individuals with disabilities.	Does not participate in rule-making and Legislative activities as requested	When requested & consistent with protocol, prepares testimony & provides such to rule-making bodies & Legislative Committees.	Actively seeks & pursues involvement in policy/rule-making activities that may impact people with disabilities/families
f	In coordination with the Administrative Office, engages in activities with the media relative to issues affecting individuals with disabilities.	Fails to comply with agency policy regarding interaction with the media; does not respond to opportunities for outreach	When requested, participates in media activities as identified in P&A outreach plans	Seeks opportunities & effectively collaborates with Admin. staff to utilize the media in addressing disability-related issues

g	Conducts outreach activities in rural, isolated communities & with minority populations.	Fails to ensure outreach to all counties within an assigned area; fails to identify populations that are underserved or of minority status	Ensures cultural competency issues are considered in all outreach activities; conducts outreach to all counties within identified service areas	Pro-active; identifies minority populations & others that have unmet service needs; develops strategies to address unmet needs
6	**RECORDS & DATA MANAGEMENT**			
a	Develops & maintains a current file for each case of client assistance, representation &/or protective services; thoroughly & accurately documents all work activity & completes required reports & intakes in conformity with P&A procedures.	Required information is missing or not understandable/clear; case management policies/procedures are not implemented	Maintains ALL client files according to case management policies/procedures	ALL client files are "court ready"; another P&A staff could pick up the files & get all information needed to take on the cases
b	Documents all non-case related activity including information & referral activities, education & training activities provided & received, work on systems advocacy, etc.	Required information is not completed, submitted &/or inaccuracies are not corrected in a timely manner	Completes non-case forms & reports per case management policies/procedures	High level of accuracy on completed forms
c	Tracks & documents work completed on program objectives.	Despite reminders & follow-up, doesn't submit required information	Completes necessary documentation per work plans or communicates with supervisor re: emergencies, etc. that could cause delays	Consistently submits ALL documentation without reminders or follow-up
d	Submits required data & reports to the P&A Administrative Office within set timelines.	Consistently misses timelines	Completes & submits required data/reports within timelines or communicates with supervisor re: emergencies, etc. that could cause delays	Consistently submits ALL documentation within timelines without reminders or follow-up

e	Maintains all files & records in accordance with P&A's record retention schedule.	Does not implement agency policies/procedures	Maintains files & records according to agency's policies/procedures	ALL files & records are organized in an efficient manner so that another P&A staff could come in & "take over" if needed
f	Assists with the development & revision of P&A forms, policies, & reporting requirements.	Rarely or never responds to requests for input/feedback	Responds to requests for input/feedback	Identifies need for revisions; volunteers ideas/solutions
7	**SYSTEMS ADVOCACY**			
a	Identifies systems problems that impact on the rights of people with disabilities; researches the issues, including applicable laws, rules, regulations, etc.	Fails to understand the concept of "systems advocacy" or doesn't identify opportunities when presented	Identifies systems problems & adequately researches the issue, including possible impact on people with disabilities/families	Through issue team participation or individual advocacy, identifies 2 or more systems issues; effectively documents research & potential impact
b	Facilitates the formulation of an action plan to respond to priority systems issues, collaborating with consumers, family members, P&A personnel, other advocacy entities, service providers, etc.	Fails to develop action plans &/or doesn't collaborate with others	Identifies appropriate stakeholders & develops written action plan(s) to address issues	Through issue team participation or individual advocacy, identifies appropriate stakeholders & develops effective, written action plans for 2 or more systems, issues
c	Implements (& assists others with implementing) a spectrum of strategies to resolve the issue in favor of individuals with disabilities, including a referral to legal counsel as appropriate.	Fails to implement strategies or achieve positive outcomes for people with disabilities	Implements a variety of advocacy activities to achieve positive outcomes for people with disabilities	Through issue team participation or individual advocacy, implements a variety of advocacy activities to achieve positive outcomes for people

				with disabilities for 2 or more systems issues
d	Serves as a member of external multi-agency task forces & committees which are addressing systems issues which impact on individuals with disabilities.	Fails to participate or be a contributing member	Membership & active participation in at least one regional or statewide task force or committee re: people with disabilities	Active member of a task force or committee that demonstrates at least one positive outcome for a number of people with disabilities
e	Serves as a member of P&A multi-agency task forces & committees which are addressing systems issues which impact on individuals with disabilities.	Fails to participate or be a contributing member	Membership & active participation in at least one regional or statewide task force or committee re: people with disabilities	Active member of a task force or committee that demonstrates at least one positive outcome for a number of people with disabilities
f	Researches & analyzes proposed rules, laws, policies, & regulations that will impact individuals with disabilities & provides comment.	Fails to do adequate research & analysis upon request	Upon request, provides written report of research, analysis & comments	Identifies opportunities & volunteers to research, analysis & comments in a thorough written report

HB 1012
2/6/2013
Attachment #3

PROTECTION & ADVOCACY PROJECT SALARY INFORMATION FOR 2013-2015
2.6.13

	POSITION	ANNUAL SALARY	STATE DOLLARS $	STATE DOLLARS %	FEDERAL DOLLARS $	FEDERAL DOLLARS %
1	OFFICE ASSISTANT II	$23,088	$5,772	25%	$ 17,316	75%
2	ADMIN ASSISTANT III	$39,516	$39,516	100%	$ -	0%
3	ATTORNEY II	$66,468	$16,617	25%	$ 49,851	75%
4	ATTORNEY II	$70,392	$47,867	68%	$ 22,525	32%
5	ATTORNEY II	$61,548	$9,232	15%	$ 52,316	85%
6	ATTORNEY III	$78,120	$19,530	25%	$ 58,590	75%
7	ADMIN OFFR II	$49,080	$49,080	100%	$ -	0%
8	HSPA IV	$59,316	$14,829	25%	$ 44,487	75%
9	HSPA V	$64,896	$19,469	30%	$ 45,427	70%
10	HSPA V	$60,648	$24,259	40%	$ 36,389	60%
11	DISABILITY ADVOCATE	$54,180	$27,090	50%	$ 27,090	50%
12	DISABILITY ADVOCATE	$49,752	$5,970	12%	$ 43,782	88%
13	DISABILITY ADVOCATE	$49,752	$24,876	50%	$ 24,876	50%
14	DISABILITY ADVOCATE	$49,752	$32,339	65%	$ 17,413	35%
15	DISABILITY ADVOCATE	$49,752	$12,438	25%	$ 37,314	75%
16	DISABILITY ADVOCATE	$52,932	$18,526	35%	$ 34,406	65%
17	DISABILITY ADVOCATE	$49,752	$9,950	20%	$ 39,802	80%
18	DISABILITY ADVOCATE	$59,520	$29,760	50%	$ 29,760	50%
19	DISABILITY ADVOCATE	$49,752	$7,463	15%	$ 42,289	85%
20	DISABILITY ADVOCATE	$49,752	$14,926	30%	$ 34,826	70%
21	DISABILITY ADVOCATE	$49,752	$44,777	90%	$ 4,975	10%
22	DISABILITY ADVOCATE	$47,604	$4,760	10%	$ 42,844	90%
23	DISABILITY ADVOCATE	$59,520	$14,880	25%	$ 44,640	75%
24	DISABILITY ADVOCATE	$50,244	$50,244	100%	$ -	0%
25	DISABILITY ADVOCATE	$49,752	$9,950	20%	$ 39,802	80%
26	DISABILITY ADVOCATE	$49,752	$19,901	40%	$ 29,851	60%
27	ADMIN ASSISTANT I	$ 30,312	$ 30,312	100%	$ -	0%
	TOTAL:	$1,424,904	$604,333	42%	$ 820,571	58%

HB 1012
2/6/2013
Attachment #4

PROTECTION AND ADVOCACY
OPERATING BUDGET DETAIL
2013-2015 BIENNIUM

CODE	DESCRIPTION	13-15 BUDGETED	FEDERAL	STATE	
52100	TRAVEL	$154,586	$132,275	$22,311	$154,586
53100	SUPPLIES-IT	$7,595	$2,798	$4,797	$7,595
53200	SUPPLY/MAT-PROF	$40,250	$34,700	$5,550	$40,250
53500	MISC SUPPLIES	$7,500	$6,500	$1,000	$7,500
53600	OFFICE SUPPLIES	$17,900	$14,075	$3,825	$17,900
54100	POSTAGE	$11,550	$4,541	$7,009	$11,550
54200	PRINTING	$36,050	$33,500	$2,550	$36,050
55100	IT EQUIP <$5k	$49,125	$8,970	$40,155	$49,125
55200	OTHER EQUIP<$5k	$10,950	$775	$10,175	$10,950
55300	OFFICE EQUP & FURN	$10,458	$10,458	$0	$10,458
57100	INSURANCE	$5,900	$0	$5,900	$5,900
58200	RENT/LEASE-BLDG	$235,000	$139,483	$95,517	$235,000
59100	REPAIRS	$14,277	$7,875	$6,402	$14,277
60100	IT DATA PROCESS	$86,276	$44,073	$42,203	$86,276
60200	IT COMMUNICATIONS	$44,495	$19,015	$25,480	$44,495
60300	IT CONTRACTUAL SVS	$10,950	$3,750	$7,200	$10,950
61100	PROF DEVELOPMENT	$53,550	$48,300	$5,250	$53,550
62100	OPERATE FEES&SERV	$34,625	$19,500	$15,125	$34,625
62300	FEES-PROF SERV	$360,669	$350,000	$10,669	$360,669
69300	IT EQUIP/SFTWR>$5k	$11,824	$0	$11,824	$11,824
	TOTALS	$1,203,530	$880,588	$322,942	$1,203,530

HB 1012
2/6/2013
Attachment #5

February 4, 2013

RE: House Bill 1012
"Oil Patch Add-On for Cost of Living"

TO: House Appropriations, Human Resources Division
Rep. Chet Pollert, Chairman
Rep. Larry Bellew, Vice-Chairman
Rep. Gary Kreidt
Rep. Jon Nelson
Rep. Alan Wieland
Rep. Rick Holman

FROM: Larry Bernhardt, Catholic Charities North Dakota
Also representing:
Bob Sanderson, Lutheran Social Services of North Dakota
Dale Twedt, PATH North Dakota
Gary Wolsky, Village Family Services

After my testimony to your Committee on January 21, 2013 regarding HB1012 and the "Oil Patch Add-On for Staff in Williston, Minot, and Dickinson Regions", you asked that we put together some numbers to help in your deliberations.

Therefore, we have developed the following chart, which shows the impact by Agency, by Program, by Region of the State. As you can see our projection is that it would cost about $384,000/biennium among our 4 Agencies to accomplish a similar adjustment to what the Department of Human Services is considering. We would need an appropriation from the Legislature through the Department of Human Services in order for us to implement the adjustment.

We thank you for your attention to our concern and if any of us can provide additional information or answer any questions you may have, please do not hesitate to contact us.

ENCL - 1

Non-Profit Human Service Providers

Staff Living/Working in Minot, Dickinson, Williston areas:

Agency	Program	Location	# of Staff ($500/Mo/FTE)	Biennial Cost
Catholic Charities	Guardianship for DD	Dickinson	1	$ 12,000
Catholic Charities	Guardianship for DD	Minot	3	$ 36,000
Catholic Charities	Pregnancy/Adoption	Minot	1	$ 12,000
Catholic Charities	Support Staff	Minot	.50	$ 6,000
Lutheran Social Svcs.	Senior Companion	Minot	2	$ 24,000
Lutheran Social Svcs.	CCR&R (Child Care Resource & Referral)	Minot	3	$ 36,000
		Williston	1	$ 12,000
Lutheran Social Svcs.	Gamblers Choice	Minot	3	$ 36,000
PATH ND	AASK	Dickinson	1.25	$ 15,000
PATH ND	AASK	Minot	2.5	$ 30,000
PATH ND	Therap. Foster Care	Minot	5.5	$ 66,000
PATH ND	Therap. Foster Care	Dickinson	3.75	$ 45,000
PATH ND	Therap. Foster Care	Williston	1.5	$ 18,000
Village Family Svcs.	Fam. Group Dec. Making	Minot	.5	$ 6,000
Village Family Svcs.	Fam. Team Dec. Making	Minot	.5	$ 6,000
Village Family Svcs.	Family Based Svcs.	Minot	1.0	$ 12,000
Village Family Svcs.	Family Based Svcs.	Williston	1.0	$12,000
				=========
			Total:	$384,000

HB 1012
2/6/2013
Attachment #6

North Dakota Department of Human Services
2013-2015 Executive Budget Recommendation

	Executive Budget Provider Inflation 4% / 4%				Provider Inflation 3% / 3% July 1, 2013				Increase (Decrease) from a 4% / 4% to 3% / 3%			
Provider Groups	Total	General	Federal	Other	Total	General	Federal	Other	Total	General	Federal	Other
Inflation for Medicaid grant providers	23,272,774	11,290,119	11,887,805	94,850	17,424,644	8,452,971	8,900,435	71,238	(5,848,130)	(2,837,148)	(2,987,370)	(23,612)
Inflation for DD grant providers	27,531,461	13,549,494	13,981,967	-	20,571,331	10,123,851	10,447,480	-	(6,960,130)	(3,425,643)	(3,534,487)	0
Inflation for Nursing Homes	16,962,510	8,481,249	8,481,261	-	12,745,682	6,372,841	6,372,841	-	(4,216,828)	(2,108,408)	(2,108,420)	0
Inflation for Other LTC providers (Basic Care & QSPs)	4,805,130	3,034,424	1,735,511	35,195	3,610,303	2,285,757	1,298,236	26,310	(1,194,827)	(748,667)	(437,275)	(8,885)
Inflation for Children and Family Service grant providers	5,459,994	1,449,258	3,015,875	994,861	4,081,485	1,083,427	2,254,345	743,713	(1,378,509)	(365,831)	(761,530)	(251,148)
Inflation for Mental Health/Substance Abuse, Aging, Disability Services Children and Family Services contracted providers	1,548,759	1,449,366	94,961	4,432	1,157,296	1,082,997	70,987	3,312	(391,463)	(366,369)	(23,974)	(1,120)
Inflation for the Human Service Center contracted providers	1,705,792	1,616,296	88,160	1,336	1,279,344	1,212,222	66,120	1,002	(426,448)	(404,074)	(22,040)	(334)
Total Inflation	**81,286,420**	**40,870,206**	**39,285,540**	**1,130,674**	**60,870,085**	**30,614,066**	**29,410,444**	**845,575**	**(20,416,335)**	**(10,256,140)**	**(9,875,096)**	**(285,099)**

	Executive Budget Provider Inflation 4% / 4%				Provider Inflation 3.5% / 3.5%				Increase (Decrease) from a 4% / 4% to 3.5% / 3.5%			
Provider Groups	Total	General	Federal	Other	Total	General	Federal	Other	Total	General	Federal	Other
Inflation for Medicaid grant providers	23,272,774	11,290,119	11,887,805	94,850	20,328,740	9,862,314	10,384,049	82,377	(2,944,034)	(1,427,805)	(1,503,756)	(12,473)
Inflation for DD grant providers	27,531,461	13,549,494	13,981,967	-	24,039,668	11,830,917	12,208,751	-	(3,491,793)	(1,718,577)	(1,773,216)	0
Inflation for Nursing Homes	16,962,510	8,481,249	8,481,261	-	14,848,044	7,424,018	7,424,026	-	(2,114,466)	(1,057,231)	(1,057,235)	0
Inflation for Other LTC providers (Basic Care & QSPs)	4,805,130	3,034,424	1,735,511	35,195	4,208,268	2,660,877	1,516,639	30,752	(596,862)	(373,547)	(218,872)	(4,443)
Inflation for Children and Family Service grant providers	5,459,994	1,449,258	3,015,875	994,861	4,769,492	1,265,996	2,634,439	869,057	(690,502)	(183,262)	(381,436)	(125,804)
Inflation for Mental Health/Substance Abuse, Aging, Disability Services Children and Family Services contracted providers	1,548,759	1,449,366	94,961	4,432	1,350,467	1,263,642	82,954	3,871	(198,292)	(185,724)	(12,007)	(561)
Inflation for the Human Service Center contracted providers	1,705,792	1,616,296	88,160	1,336	1,492,589	1,414,276	77,142	1,171	(213,203)	(202,020)	(11,018)	(165)
Total Inflation	**81,286,420**	**40,870,206**	**39,285,540**	**1,130,674**	**71,037,268**	**35,722,040**	**34,328,000**	**987,228**	**(10,249,152)**	**(5,148,166)**	**(4,957,540)**	**(143,446)**

HB 1012
2/6/2013
Attachment #7

North Dakota Department of Human Services
Executive Budget Recommendation of 50¢ at 4/4% inflation Compared to Other Wage Scenarios
Nursing Facilities, Basic Care, QSP's and DD providers
for the 13 - 15 Biennium

	Funded in the Executive Budget $.50 per hour increase with 4% and 4% inflation			$.75 per hour increase with 4% and 4% inflation			Difference from 50¢ and $.75 per hour increase with 4% and 4% inflation		
	Total	General	Other	Total	General	Other	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726	16,026,036	7,984,032	8,042,004	5,339,270	2,659,992	2,679,278
Basic Care	3,102,243	2,193,147	909,096	4,651,123	3,288,039	1,363,084	1,548,880	1,094,892	453,988
QSP's	2,291,123	1,610,136	680,987	3,436,688	2,415,206	1,021,482	1,145,565	805,070	340,495
DD Providers	11,530,932	5,743,574	5,787,358	17,296,380	8,615,327	8,681,053	5,765,448	2,871,753	2,893,695
Total	27,611,064	14,870,897	12,740,167	41,410,227	22,302,604	19,107,623	13,799,163	7,431,707	6,367,456

	$.50 per hour increase with 4% and 4% inflation			$1.00 per hour increase with 3.5% and 3.5% inflation			Difference from 50¢ and $1.00 per hour increase with 3.5% and 3.5%		
	Total	General	Other	Total	General	Other	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726	21,283,579	10,603,113	10,680,466	10,596,813	5,279,073	5,317,740
Basic Care	3,102,243	2,193,147	909,096	6,157,339	4,353,779	1,803,560	3,055,096	2,160,632	894,464
QSP's	2,291,123	1,610,136	680,987	4,549,043	3,196,937	1,352,106	2,257,920	1,586,801	671,119
DD Providers	11,530,932	5,743,574	5,787,358	22,897,709	11,403,851	11,493,858	11,366,777	5,660,277	5,706,500
Total	27,611,064	14,870,897	12,740,167	54,887,670	29,557,680	25,329,990	27,276,606	14,686,783	12,589,823

	$.50 per hour increase with 4% and 4% inflation			$.75 per hour increase with 3.5% and 3.5% inflation			Difference from 50¢ and $.75 per hour increase with 3.5% and 3.5%		
	Total	General	Other	Total	General	Other	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726	15,978,936	7,960,491	8,018,445	5,292,170	2,636,451	2,655,719
Basic Care	3,102,243	2,193,147	909,096	4,619,693	3,266,738	1,352,955	1,517,450	1,073,591	443,859
QSP's	2,291,123	1,610,136	680,987	3,411,781	2,397,701	1,014,080	1,120,658	787,565	333,093
DD Providers	11,530,932	5,743,574	5,787,358	17,171,030	8,552,886	8,618,144	5,640,098	2,809,312	2,830,786
Total	27,611,064	14,870,897	12,740,167	41,181,440	22,177,816	19,003,624	13,570,376	7,306, 19	6,263,457

	$.50 per hour increase with 4% and 4% inflation			$1.00 per hour increase with 3% and 3% inflation			Difference from 50¢ and $1.00 per hour increase with 3% and 3%		
	Total	General	Other	Total	General	Other	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726	21,195,918	10,559,278	10,636,640	10,509,152	5,235,238	5,273,914
Basic Care	3,102,243	2,193,147	909,096	6,112,453	4,322,386	1,790,067	3,010,210	2,129,239	880,971
QSP's	2,291,123	1,610,136	680,987	4,515,941	3,173,674	1,342,267	2,224,818	1,563,538	661,280
DD Providers	11,530,932	5,743,574	5,787,358	22,728,134	11,320,880	11,407,254	11,197,202	5,577,306	5,619,896
Total	27,611,064	14,870,897	12,740,167	54,552,446	29,376,218	25,176,228	26,941,382	14,505,321	12,436,061

HB 1012
2/4/2013
Attachment #8

North Dakota Department of Human Services
Comparison of the Executive Budget Recommendation and the Change in Cost of Requested Scenarios
Nursing Facilities, Basic Care, QSP's and DD providers
for the 13 - 15 Biennium

Funded in the Executive Budget
$.50 per hour increase with all 4% and 4% inflation

	Total	General	Other
Nursing Facilities	27,649,276	13,805,289	13,843,987
Basic Care	4,783,559	3,318,683	1,464,876
QSP's	5,414,937	3,519,024	1,895,913
DD Providers	39,062,393	19,293,068	19,769,325
All other Inflation	31,987,319	15,805,039	16,182,280
Total	108,897,484	55,741,103	53,156,381

$.75 per hour increase with 4% and 4% inflation

Total	General	Other
32,988,546	16,465,281	16,523,265
6,332,439	4,413,575	1,918,864
6,560,502	4,324,094	2,236,408
44,827,841	22,164,821	22,663,020
31,987,319	15,805,039	16,182,280
122,696,647	63,172,810	59,523,837

Change @ $.75	General	Other
13,799,163	7,431,707	6,367,456

Change from the Executive Budget

Funded in the Executive Budget
$.50 per hour increase with all 4% and 4% inflation

	Total	General	Other
Nursing Facilities	27,649,276	13,805,289	13,843,987
Basic Care	4,783,559	3,318,683	1,464,876
QSP's	5,414,937	3,519,024	1,895,913
DD Providers	39,062,393	19,293,068	19,769,325
All other Inflation	31,987,319	15,805,039	16,182,280
Total	108,897,484	55,741,103	53,156,381

$.75 per hour increase with 3.5% and 3.5% inflation

Total	General	Other
30,826,980	15,384,509	15,442,471
6,098,987	4,260,006	1,838,981
6,140,755	4,065,309	2,075,446
41,210,698	20,383,803	20,826,895
27,991,288	13,806,229	14,185,059
112,268,708	57,899,856	54,368,852

Total Change	General	Other
3,371,224	2,158,753	1,212,471

$1.00 per hour increase with 3.5% and 3.5% inflation

Total	General	Other
36,131,623	18,027,131	18,104,492
7,636,633	5,347,047	2,289,586
7,278,017	4,864,545	2,413,472
46,937,377	23,234,768	23,702,609
27,991,288	13,806,229	14,185,059
125,974,938	65,279,720	60,695,218

Total Change	General	Other
17,077,454	9,538,617	7,538,837

Change from the Executive Budget

Funded in the Executive Budget
$.50 per hour increase with all 4% and 4% inflation

	Total	General	Other
Nursing Facilities	27,649,276	13,805,289	13,843,987
Basic Care	4,783,559	3,318,683	1,464,876
QSP's	5,414,937	3,519,024	1,895,913
DD Providers	39,062,393	19,293,068	19,769,325
All other Inflation	31,987,319	15,805,039	16,182,280
Total	108,897,484	55,741,103	53,156,381

$1.00 per hour increase with 3% and 3% inflation

Total	General	Other
33,941,600	16,932,119	17,009,481
7,387,470	5,181,126	2,206,344
6,851,227	4,600,690	2,250,537
43,299,465	21,444,731	21,854,734
23,942,769	11,831,618	12,111,151
115,422,531	59,990,284	55,432,247

Total Change	General	Other
6,525,047	4,249,181	2,275,866

Change from the Executive Budget

HB 1012
2/6/2013
Attachment #9

Department of Human Services
Affordable Care Act Related Expenses
(Does Not Include Medicaid Expansion)

		2011-2013 Budget *(FTE authorized in the Special Session)*			2013-2015 Executive Budget		
	Start Date	General Fund	Federal Funds	Total Funds	General Fund	Federal Funds	Total Funds
Salaries and Operating Expenses:							
Administration/Support-Legal Unit Attorney	7/2013				81,571	84,291	165,862
Economic Assistance Policy Trainer**	4/2013	17,058	-	17,058	79,859	115,683	195,542
Child Support Enforcement Attorney**	7/2011	59,368	115,244	174,612	62,322	120,977	183,299
Medical Services							
Eligibility Policy**	7/2011	55,460	55,459	110,919	71,816	71,815	143,631
Program Integrity**	1/2012	51,980	51,981	103,961	74,013	74,012	148,025
Nurse**	10/2012	13,224	39,672	52,896	43,920	108,158	152,078
SURS Analyst**	1/2013	5,888	18,333	24,221	43,113	60,450	103,563
Administrative Support**	1/2013	11,145	9,467	20,612	46,029	37,055	83,084
Pharmacy Technician	10/2013				40,323	40,323	80,646
Coding Specialist	10/2013				47,842	67,079	114,921
Eligibility Modernization Project				-	1,118,871	4,283,120	5,401,991
Medical Services Contracts							
Provider Enrollment Site Visits					145,350	145,350	290,700
Provider Screening Contract					120,000	120,000	240,000
Quality Assurance Measures					75,000	75,000	150,000
Total Salary and Operating Expenses		$ 214,123	$ 290,156	$ 504,279	$ 2,050,029	$ 5,403,313	$ 7,453,342
Medical Services Grants:							
Woodwork Effect					4,536,578	4,536,618	9,073,196
Vaccine Administration Fees*							
Foster Care Coverage from Age 19 through 25					90,000	90,000	180,000
Drug Rebates		2,500,000		2,500,000	2,800,000		2,800,000
Total Medical Services Grants		2,500,000	-	2,500,000	7,426,578	4,626,618	12,053,196
Total Affordable Care Act Related Expenses		$ 2,714,123	$ 290,156	$ 3,004,279	$ 9,476,607	$ 10,029,931	$ 19,506,538

Funding for Both 2011-2013 & 2013-2015 Bienniums

General Funds	**$ 12,190,730**
Federal Funds	**$ 10,320,087**
Total Funds	**$ 22,510,817**

* The Department does not have final information on the increase in fees or the impact of the increase on program expenditures. For calendar years 2013 and 2014, the increase in fees is expected to be supported with 100% general fund dollars.

**FTE were originally requested SB 2012 of the 62nd Legislative Session. However the FTE were authorized in HB 1475 of the Special Session, held in November 2011 .

HB 1012
2/6/2013
Attachment #10

North Dakota Department of Human Services
Medical Services Division
Updated Budget Need: Nursing Home Beds and Medicare Part D Clawback
February 5, 2013

The Department's 2013-2015 Budget request was based on an understanding that 106 nursing home beds would become operational in the Fargo area during the 2013-2015 biennium (55 of those were estimated to be occupied by Medicaid-eligible individuals). Based on information received from the ND Long-Term Care Association on Friday, February 1, we understand those beds will not become operational until after July 1, 2015. As we recalculated the Fargo –area beds, we also reviewed the most current utilization for nursing homes beds which shows an increase of 4 beds over the level used when the budget was built. Therefore, the Department has recalculated the Budget authority needed for Nursing Home expenditures for the 2013-2015 biennium.

	2013-2015 Budget Request	REVISED Budget Request	Difference
Bed Days	98,952	98,550	(402)
Total Funds	$501,294,823	$499,171,769	$(2,123,054)
Federal Funds	$249,740,962	$250,493,446	$(1,060,415)
General Funds	$251,553,861	$248,678,323	$(1,062,639)

The 2013-2015 Budget request for the Medicare Part D Clawback payment was based on a monthly average of 10,690 dual eligibles. This estimate was based on the dual eligible trend from invoices received through May 2012. The Department has updated this trend based on the Clawback invoices received from June through January. The new trend shows that we can expect an average monthly caseload of 10,780 for the 2013-2015 biennium. The recalculated estimate of the budget authority needed for the Clawback payment for the 2013-2015 biennium is:

	2013-2015 Budget Request	REVISED Budget Request	Difference
Monthly Average	10,690	10,780	90
Total Funds	$29,487,399	$29,735,664	$248,265
General Funds	$28,352,679	$28,600,944	$248,265
Other Funds	$1,134,720	$1,134,720	

HB 1012
2/6/2013
Attachment #11

North Dakota Department of Human Services
Medical Services Division
Cost to Continue Nursing Facility Property Limits
February 4, 2013

The nursing facility property limits are adjusted annually on July 1 by the increase, if any, in the consumer price index for all urban consumers, for the 12 month period ending May 31.

Nursing Facility Property Limits			
	Single Occupancy	Double Occupancy	Increase
July 1, 2012	181,727	121,150	1.7%
July 1, 2011	178,689	119,125	3.6%
July 1, 2010	172,480	114,986	2.0%
July 1, 2009 [2]	169,098	112,732	22.0%
July 1, 2008	138,907	92,604	4.2%
July 1, 2007 [1]	133,308	88,872	35.0%
July 1, 2006	93,165	69,525	

The estimated useful life for buildings is 25-50 years based on the type of construction.

The cost of construction, depreciable life, interest rate and census units impact the increased property cost per day.

[1] 2007 SB 2012 increased the nursing facility property limits on July 1, 2007.

[2] 2009 HB 1012 increased the nursing facility property limits on July 1, 2009.

Attachment E

Department of Human Services OARs for the 2013-2015 Biennium

as of December 5, 2012

Row #	Cabinet Priority	Cabinet Category	Description (In Order by Reporting Level)	FTE	General	Federal	Other	Total
1	01	Optional 3% Savings Plan	Optional 3% Savings Plan		(32,279,508)	(32,086,444)	(98,913)	(64,464,865)
2	02	Affordable Care Act	Previously Eligible "Woodwork Effect"		4,536,578	4,536,618		9,073,196
3	03	Compensation Study	Staff Retention - 90% of Market		9,058,260	3,990,228		13,048,488
4	04	Oil Patch Add-On for Staff	Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions		3,253,008	514,992		3,768,000
5	05	Street Reconstruction	Street Reconstruction - State Hospital		864,714	-	-	864,714
6	06	Capacity	Children's ICF/ID		1,438,782	1,299,692		2,738,474
7	06	Capacity	Community Based Sex Offender High Risk Treatment		313,883			313,883
8	06	Capacity	Extended Services		201,600			201,600
9	06	Capacity	Employment Benefits Planning		540,000			540,000
10	06	Capacity	Developmental Disability Corporate Guardianship		179,379			179,379
11	06	Capacity	8 Unit Transitional Living Program - LRHSC		401,414	270,326	58,000	729,740
12	06	Capacity	Temporary Staff Due to Client Service Demand - SEHSC		399,753	5,144		404,897
13	06	Capacity	16 Unit Transitional Living Facility - SEHSC		975,000	325,000		1,300,000
14	06	Capacity	Developmental Disability Case Management - SEHSC	2.00	137,341	103,611		240,952
15	06	Capacity	Partnership and Mental Illness Case Management - SEHSC	4.00	222,649			222,649
16	06	Capacity	Mental Illness/Chemical Dependency Transitional Employment - SCHSC		308,000			308,000
17	06	Capacity	15 Bed Long Term Housing for SMI/CD - SCHSC		312,000			312,000
18	06	Capacity	4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		324,156			324,156
19	06	Capacity	10 Bed Mental Illness Long Term Residential - WCHSC		407,941	361,759		769,700
20	06	Capacity	Medical Detoxification - BLHSC		30,000	-	-	30,000
			Total Capacity Category	6.00	6,191,898	2,365,532	58,000	8,615,430
21	07	Inflation - 4% / 4%	Medicaid Provider Inflation		11,290,119	11,887,805	94,850	23,272,774
22	07	Inflation - 4% / 4%	LTC Provider Inflation		25,065,167	24,198,739	35,195	49,299,101
23	07	Inflation - 4% / 4%	Program & Policy Other Inflation		513,248			513,248
24	07	Inflation - 4% / 4%	Child Welfare Provider Inflation		2,385,376	3,110,836	999,293	6,495,505
25	07	Inflation - 4% / 4%	HSC Inflation		1,616,296	88,160	1,336	1,705,792
			Total Inflation Category		40,870,206	39,285,540	1,130,674	81,286,420
26	08	Information Technology Projects	Field Services Electronic Health Records System Replacement (SITAC #3)		5,000,000			5,000,000
27	08	Information Technology Projects	Mainframe Migration (SITAC #6)		148,907	93,093	568,000	810,000
			Total Information Technology Projects Category		5,148,907	93,093	568,000	5,810,000
28	09	Enhancement of Services	Expand Home Delivered Meals to SPED & ExSPED		66,587		2,374	68,961
29	09	Enhancement of Services	Extend Personal Care Services for SPED		128,982		6,792	135,774
30	09	Enhancement of Services	Personal Care with Supervision		70,556	70,556		141,112
31	09	Enhancement of Services	QSP Oversight Pilot Project		78,884	21,500	2,702	103,086
32	09	Enhancement of Services	Post Adoption Services		133,520	71,896		205,416
33	09	Enhancement of Services	Peer Support		300,000			300,000
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse		296,684	-	-	296,684
			Total Enhancement Category		1,075,213	163,952	11,868	1,251,033
35	10	Building Demolition	Demolish Refectory Building - Developmental Center		240,000			240,000
36	10	Building Demolition	Demolish Pleasant View Building - Developmental Center		120,000			120,000
			Total Building Demolition		360,000	-	-	360,000
			Total OARS		39,079,276	18,863,511	1,669,629	59,612,416

Footnotes:

OAR fully funded in the Executive Budget
OAR partially funded in the Executive Budget
OAR fully funded in the Executive Budget, however Department is to find FTEs within those currently authorized.

HB 1012
2/15/2013
Attachment #1

HB 1012
2/15/2013
Attachment #2

13.8141.01003
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Representative Kreidt
February 14, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 2, replace lines 6 and 7 with:

"Grants - Medical assistance	1,601,650,984	153,898,696	1,755,549,680
Total all funds	$2,234,028,731	$130,255,377	$2,364,284,108"

Page 2, replace line 9 with:

"Total general fund	$736,572,406	$198,488,279	$935,060,685"

Page 3, replace lines 3 through 5 with:

"Grand total general fund	$927,229,214	$250,065,313	$1,177,294,527
Grand total special funds	1,670,969,526	(57,319,796)	1,613,649,730
Grand total all funds	$2,598,198,740	$192,745,517	$2,790,944,257"

Page 3, after line 19, insert:

"Assisted living center grant	0	425,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$11,227,714
Less estimated income	36,602,712	1,176,085
Total general fund	$13,746,803	$10,051,629"

Page 4, after line 2, insert:

"**SECTION 3. GRANT TO ASSISTED LIVING CENTER.** The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion project. This funding may not be spent for any other purpose and must be a part of the department's unspent appropriation authority if the expansion project has not begun by July 1, 2015."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	$0	$124,062,199
Less estimated income	61,473,447	0	61,473,447
General fund	$62,588,752	$0	$62,588,752
DHS - Program/Policy			
Total all funds	$2,364,284,108	$425,000	$2,364,709,108
Less estimated income	1,429,648,423	0	1,429,648,423
General fund	$934,635,685	$425,000	$935,060,685
DHS - State Hospital			
Total all funds	$73,489,636	$0	$73,489,636
Less estimated income	19,254,163	0	19,254,163

General fund	$54,235,473	$0	$54,235,473
DHS - Developmental Center			
Total all funds	$53,050,470	$0	$53,050,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	$0	$24,986,252
DHS - Statewide HSC			
Total all funds	$6,069,755	$0	$6,069,755
Less estimated income	1,075,139	0	1,075,139
General fund	$4,994,616	$0	$4,994,616
DHS - Northwest HSC			
Total all funds	$8,958,191	$0	$8,958,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	$0	$5,393,391
DHS - North Central HSC			
Total all funds	$21,989,171	$0	$21,989,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	$0	$12,803,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	$0	$12,736,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	$0	$7,573,786
DHS - Northeast HSC			
Total all funds	$27,882,775	$0	$27,882,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	$0	$13,744,433
DHS - Southeast HSC			
Total all funds	$39,030,472	$0	$39,030,472
Less estimated income	15,682,226	0	15,682,226
General fund	$23,348,246	$0	$23,348,246
DHS - South Central HSC			
Total all funds	$16,793,883	$0	$16,793,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	$0	$8,980,593
DHS - West Central HSC			
Total all funds	$29,826,746	$0	$29,826,746
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	$0	$16,557,764
DHS - Badlands HSC			
Total all funds	$12,345,718	$0	$12,345,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	$0	$7,026,670
Bill total			
Total all funds	$2,790,519,257	$425,000	$2,790,944,257
Less estimated income	1,613,649,730	0	1,613,649,730
General fund	$1,176,869,527	$425,000	$1,177,294,527

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180		106,543,180
Grants	453,774,130		453,774,130
Grants - Medical assistance	1,755,124,680	425,000	1,755,549,680
Total all funds	$2,364,284,108	$425,000	$2,364,709,108
Less estimated income	1,429,648,423	0	1,429,648,423
General fund	$934,635,685	$425,000	$935,060,685
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	Assisted Living Center Expansion[1]	Total House Changes
Salaries and wages		
Operating expenses		
Grants		
Grants - Medical assistance	425,000	425,000
Total all funds	$425,000	$425,000
Less estimated income	0	0
General fund	$425,000	$425,000
FTE	0.00	0.00

[1]Adds funding for an assisted living center that accepts low-income tenants.

This amendment adds a section to provide for a grant to an assisted living center that accepts low-income tenants and precludes the funding from being spent for other purposes if construction on the center does not begin by July 1, 2015.

HB 1012
2/15/2013
Attachment #3

North Dakota Century Code – Nursing Home Rates

50-24.4-07. Nonallowable costs.

1. The following costs may not be recognized as allowable: political contributions; salaries or expenses of a lobbyist, as defined in section 54-05.1-02, for lobbying activities; advertising designed to encourage potential residents to select a particular nursing home; fines and penalties; legal and related expenses for unsuccessful challenges to decisions by governmental agencies; memberships in sports, health, or similar social clubs or organizations; and costs incurred for activities directly related to influencing employees with respect to unionization. The department by rule shall exclude the costs of other items or services not directly related to the provision of resident care.

2. Nonallowable costs include the education expense unless:

a. The education was provided by an accredited academic or technical educational facility;

b. The education expense was for materials, books, or tuition;

c. The facility claims the education expense, annually, in an amount not to exceed three thousand seven hundred fifty dollars for each individual; and

d. The amount of education expense claimed for an individual does not exceed fifteen thousand dollars in the aggregate.

3. The education expense may be claimed the year in which it is expended.

4. For any individual who receives education assistance, the facility shall enter a contract
with the individual which stipulates a minimum commitment to work for the facility as well as a repayment plan if the individual does not fulfill the contract obligations.

5. An individual who receives education assistance shall commit to a minimum of one thousand six hundred sixty-four hours of employment after completion of the educational program for each year education assistance was provided by the facility.

6. The facility shall report the education expense separately on the facility's cost report. The expense is allowed as a passthrough and is limited only by the fifteen thousand dollar maximum per individual.

7. If an individual defaults on a contract and education expenses for the individual have previously been claimed in any report year, the facility shall report the amount of repayment on the facility's cost report in the report year in which the default occurs.

8. The department shall exclude income received from a political subdivision or local taxing authority or income received from mineral rights, mineral lease income or royalties as an offset to costs.

Prepared by the Legislative Council staff for
House Appropriations
February 18, 2013

HB1012
2/18/2013
Attachment #1

2013-15 BIENNIUM DEPARTMENT OF HUMAN SERVICES BUDGET - SUMMARY OF PROPOSED HOUSE CHANGES

	FTE	General Fund	Estimated Income	Total
Executive budget recommendation				
Management	148.10	$62,588,752	$61,473,447	$124,062,199
Program and Policy	342.50	934,635,685	1,429,648,423	2,364,284,108
State Hospital	457.45	54,235,473	19,254,163	73,489,636
Developmental Center	392.55	24,986,252	28,064,218	53,050,470
Statewide Human Service Center	13.00	4,994,616	1,075,139	6,069,755
Northwest Human Service Center	43.75	5,393,391	3,564,800	8,958,191
North Central Human Service Center	120.78	12,803,866	9,185,305	21,989,171
Lake Region Human Service Center	61.00	7,573,786	5,162,347	12,736,133
Northeast Human Service Center	138.50	13,744,433	14,138,342	27,882,775
Southeast Human Service Center	185.15	23,348,246	15,682,226	39,030,472
South Central Human Service Center	83.50	8,980,593	7,813,290	16,793,883
West Central Human Service Center	136.10	16,557,764	13,268,982	29,826,746
Badlands Human Service Center	74.70	7,026,670	5,319,048	12,345,718
Total executive budget recommendation	2,197.08	$1,176,869,527	$1,613,649,730	$2,790,519,257
House changes				
Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)
Program/Policy Management	0.00	6,011,131	5,143,763	11,154,894
State Hospital	0.00	(425,000)	0	(425,000)
Developmental Center	0.00	(290,000)	0	(290,000)
Statewide Human Service Center	0.00	(600,000)	(400,000)	(1,000,000)
Northwest Human Service Center	0.00	(40,000)	0	(40,000)
North Central Human Service Center	0.00	(40,000)	0	(40,000)
Lake Region Human Service Center	0.00	(40,000)	0	(40,000)
Northeast Human Service Center	0.00	(40,000)	0	(40,000)
Southeast Human Service Center	0.00	(1,015,000)	(325,000)	(1,340,000)
South Central Human Service Center	0.00	(40,000)	0	(40,000)
West Central Human Service Center	0.00	(364,156)	0	(364,156)
Badlands Human Service Center	0.00	(40,000)	0	(40,000)
Total House changes	(1.00)	($14,941,701)	($120,872)	($15,062,573)
House version				
Management	147.10	$44,570,076	$56,933,812	$101,503,888
Program/Policy Management	342.50	940,646,816	1,434,792,186	2,375,439,002
State Hospital	457.45	53,810,473	19,254,163	73,064,636
Developmental Center	392.55	24,696,252	28,064,218	52,760,470
Statewide Human Service Center	13.00	4,394,616	675,139	5,069,755
Northwest Human Service Center	43.75	5,353,391	3,564,800	8,918,191
North Central Human Service Center	120.78	12,763,866	9,185,305	21,949,171
Lake Region Human Service Center	61.00	7,533,786	5,162,347	12,696,133
Northeast Human Service Center	138.50	13,704,433	14,138,342	27,842,775
Southeast Human Service Center	185.15	22,333,246	15,357,226	37,690,472
South Central Human Service Center	83.50	8,940,593	7,813,290	16,753,883
West Central Human Service Center	136.10	16,193,608	13,268,982	29,462,590
Badlands Human Service Center	74.70	6,986,670	5,319,048	12,305,718
Total House version	2,196.08	$1,161,927,826	$1,613,528,858	$2,775,456,684
Base Level Funding Totals		$927,229,214	$1,670,969,526	$2,598,198,740
Adjustments or Enhancements Funding Totals		$234,698,612	($57,440,668)	$177,257,944

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	148.10	$62,588,752	$61,473,447	$124,062,199
Management - Proposed House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
1. Removes deputy director position - Deb changed the funding sources a little	(1.00)	($248,357)	($62,206)	($310,563)
2. Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
3. Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
4. Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
5. Changes line item for expenditures that should be in operating but are in capital assets				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)
House version - Management Subdivision	147.10	$44,570,076	$56,933,812	$101,503,888
Base Level Funding Totals		$31,175,824	$46,573,712	$77,749,536
Adjustments or Enhancements Funding Totals		$13,394,252	$10,360,100	$23,754,352

Other changes affecting Management programs or multiple programs of the department:

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	342.50	$934,635,685	$1,429,648,423	$2,364,284,108
Program and Policy - Proposed House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
6. Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverge		(2,268,289)	(2,268,309)	(4,536,598)
7. Removes funding for study on long term care services		(160,900)	(39,100)	(200,000)
8. Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
9. Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
10. Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)
11. Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
12. Reduces overall caseload projections for medical services as follows: CHIP - $1.3 million Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
13. Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long Term Care Program				
14. Adds funding for inflation for personal needs allowance. The allowance rates for nrusing facilities, SSI, and PRTF will be $65 on October 1, 2013, $67.60 on January 1, 2014, and $70.30 on January 1, 2015. The allowance rates for Basic care and ICF/ID will be $85 on October 1, 2013, $88.40 on January 1, 2014, and $91.94 on January 1, 2015.		182,473	127,347	309,820
15. Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
16. Reduces long term care caseload projections as follows: Nursing homes (50% of 76 beds) - $5,855,000 HCBS waiver - $1 million Expanded SPED - $145,000		(3,572,500)	(3,427,500)	(7,000,000)
17. Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
18. Adds funding for grant for adaptive skiing		200,000		200,000
19. Changes funding source from general fund to health care trust fund to increase property limits for nursing homes.		(546,786)	546,786	0
20. Provides funding from the health care trust fund for a grant for an expansion for an assisted living facility that accepts low income tenants			425,000	425,000

21.	Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1	14,858,778	12,728,050	27,586,828
	Aging Services Program			
22.	Reduces funding for guardianship services	(1,000,000)		(1,000,000)
	Children and Family Services Program			
23.	Removes funding for post adoption services	(133,520)	(71,896)	(205,416)
24.	Adds funding for the Healthy Families program to provide a total of $1,250,000	500,000		500,000
25.	Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake.	150,000		150,000
	Mental Health and Substance Abuse Program			
26.	Removes funding for grants to be provided by the Governor's Prevention Advisory Council	(100,000)		(100,000)
27.	Removes peer support funding from all regions	(300,000)		(300,000)
	Developmental Disabilities Council			
	No changes			
	Developmental Disabilities Division			
	No changes			
	Vocational Rehabilitation			
28.	Adds funding for a statewide system of employment benefit planning services for all clients	540,000		540,000
29.	Provides funding for the older blind program	150,000		150,000
	Total House changes - Program and Policy	0.00	$6,011,131	$5,143,763	$11,154,894
	House version - Program and policy subdivision	342.50	$940,646,816	$1,434,792,186	$2,375,439,002
	Base level funding totals		$736,572,406	$1,497,456,325	$2,234,028,731
	Adjustments or enhancements funding totals		$204,074,410	($62,664,139)	$141,410,271

Other changes affecting Program and Policy programs:

STATE HOSPITAL	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	457.45	$54,235,473	$19,254,163	$73,489,636
State Hospital - Proposed House changes:				
30. Reduces funding for operating		($350,000)		($350,000)
31. Removes funding for water temperature controls for shower rooms in LaHaug building		(75,000)		($75,000)
Total House changes - State Hospital	0.00	($425,000)	$0	($425,000)
House version - State Hospital	457.45	$53,810,473	$19,254,163	$73,064,636
Base level funding totals		$51,276,797	$20,146,403	$71,423,200
Adjustments or enhancements funding totals		$2,533,676	($892,240)	$1,641,436

Other changes affecting the State Hospital:

None

DEVELOPMENTAL CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	392.55	$24,986,252	$28,064,218	$53,050,470
Developmental Center - Proposed House changes:				
32 Decreases funding for demolition of Pleasant View and Refectory buildings to provide for a total of $220,000		($140,000)		($140,000)
33 Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)
House version - Developmental Center	392.55	$24,696,252	$28,064,218	$52,760,470
Base level funding totals		$20,417,430	$31,391,817	$51,809,247
Adjustments or enhancements funding totals		$4,278,822	($3,327,599)	$951,223

Other changes affecting the Developmental Center:
None

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - Proposed House changes:				
34. Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755
Base level funding totals		$4,653,031	$1,349,834	$6,002,865
Adjustments or enhancements funding totals		($258,415)	($674,695)	($933,110)

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - Proposed House changes:				
25. Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191
Base level funding totals		$4,884,332	$3,790,236	$8,674,568
Adjustments or enhancements funding totals		$469,059	($225,436)	$243,623

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - Proposed House changes:				
36 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171
Base level funding totals		$11,878,369	$9,023,857	$20,902,226
Adjustments or enhancements funding totals		$885,497	$161,448	$1,046,945

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - Proposed House changes:				
37 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133
Base level funding totals		$6,760,312	$4,483,994	$11,244,306
Adjustments or enhancements funding totals		$773,474	$678,353	$1,451,827

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - Proposed House changes:				
38 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775
Base level funding totals		$13,116,564	$14,972,886	$28,089,450
Adjustments or enhancements funding totals		$587,869	($834,544)	($246,675)

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - Proposed House changes:				
43 Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
39 Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472
Base level funding totals		$17,468,887	$16,278,987	$33,747,874
Adjustments or enhancements funding totals		$4,864,359	($921,761)	$3,942,598

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - Proposed House changes:				
40 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883
Base level funding totals		$8,856,088	$7,610,152	$16,466,240
Adjustments or enhancements funding totals		$84,505	$203,138	$287,643

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - Proposed House changes:				
44 Removes funding for 4-bed nental illness/chemical dependency crisis facility		($324,156)		($324,156)
41 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590
Base level funding totals		$13,721,482	$12,630,961	$26,352,443
Adjustments or enhancements funding totals		$2,472,126	$638,021	$3,110,147

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - Proposed House changes:				
42 Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718
Base level funding totals		$6,447,692	$5,260,362	$11,708,054
Adjustments or enhancements funding totals		$538,978	$58,686	$597,664

Other changes affecting the Human Service Centers:
None

Field Services Subdivision Summary	FTE	General Fund	Estimated Income	Total
Executive budget recommendation				
State Hospital	457.45	54,235,473	19,254,163	73,489,636
Developmental Center	392.55	24,986,252	28,064,218	53,050,470
Statewide Human Service Center	13.00	4,994,616	1,075,139	6,069,755
Northwest Human Service Center	43.75	5,393,391	3,564,800	8,958,191
North Central Human Service Center	120.78	12,803,866	9,185,305	21,989,171
Lake Region Human Service Center	61.00	7,573,786	5,162,347	12,736,133
Northeast Human Service Center	138.50	13,744,433	14,138,342	27,882,775
Southeast Human Service Center	185.15	23,348,246	15,682,226	39,030,472
South Central Human Service Center	83.50	8,980,593	7,813,290	16,793,883
West Central Human Service Center	136.10	16,557,764	13,268,982	29,826,746
Badlands Human Service Center	74.70	7,026,670	5,319,048	12,345,718
Total executive budget - Field Services Subdivision	1,706.48	$179,645,090	$122,527,860	$302,172,950
House changes				
State Hospital	0.00	-425,000	0	-425,000
Developmental Center	0.00	-290,000	0	-290,000
Statewide Human Service Center	0.00	-600,000	-400,000	-1,000,000
Northwest Human Service Center	0.00	-40000	0	-40000
North Central Human Service Center	0.00	-40000	0	-40000
Lake Region Human Service Center	0.00	-40000	0	-40000
Northeast Human Service Center	0.00	-40000	0	-40000
Southeast Human Service Center	0.00	-1015000	-325000	-1340000
South Central Human Service Center	0.00	-40000	0	-40000
West Central Human Service Center	0.00	-364156	0	-364156
Badlands Human Service Center	0.00	-40000	0	-40000
Total House changes - Field Services Subdivision	0.00	-$2,934,156	-$725,000	-$3,659,156
House version				
State Hospital	457.45	53,810,473	19,254,163	73,064,636
Developmental Center	392.55	24,696,252	28,064,218	52,760,470
Statewide Human Service Center	13.00	4,394,616	675,139	5,069,755
Northwest Human Service Center	43.75	5,353,391	3,564,800	8,918,191
North Central Human Service Center	120.78	12,763,866	9,185,305	21,949,171
Lake Region Human Service Center	61.00	7,533,786	5,162,347	12,696,133
Northeast Human Service Center	138.50	13,704,433	14,138,342	27,842,775
Southeast Human Service Center	185.15	22,333,246	15,357,226	37,690,472
South Central Human Service Center	83.50	8,940,593	7,813,290	16,753,883
West Central Human Service Center	136.10	16,193,608	13,268,982	29,462,590
Badlands Human Service Center	74.70	6,986,670	5,319,048	12,305,718
Total House version - Field Services Subdivision	1,706.48	$176,710,934	$121,802,860	$298,513,794
Base level funding totals		159,480,984	126,939,489	286,420,473
Adjustments or enhancements funding totals		17,229,950	-5,136,629	12,093,321

Additional changes to House Bill No. 1012

1 Make changes to one-time funding amounts in Section 2

2 Remove Section 3 relating to appropriation authority for any additional federal funds the department may receive from the Patient Protection and Affordable Care Act

3 Add new subsection to Section 50-24.4-07. Nonallowable Costs:
SECTION __. A new subsection to Section 50-24.4-07 of the North Dakota Century Code is created and enacted as follows:
8. The department shall exclude income received from a political subdivision or local taxing authority or income received from mineral rights, mineral lease income or royalties as an offset to costs.

4 Add new section relating to a grant to an assisted living center:

SECTION __. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low income tenants for an expansion project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

5 Add new section relating to grants for county social service boards:
SECTION__. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes the sum of $150,000 from the general fund, or so much of the sum as may be necessary, for grants to the jurisdiction most significantly impacted as determined by the department of human services considering the provisions of subsection 2 of section 50-01.2-03 for the biennium beginning July 1, 2013, and ending June 30, 2015.

6 Add new section relating to grants for adaptive skiing:
SECTION__. APPROPRIATION - AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. Included in the grants-medical assistance line item in subdivision 2 of section 1 of this Act is the sum of $200,000 from the general fund, or so much of the sum as may be necessary, for grants for an adaptive skiing program for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

7 Add section relating to intermediate care facility construction:

SECTION__. INTERMEDIATE CARE FACILITY CONSTRUCTION. Intermediate care facility providers must submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and shall limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

8 Add section relating to a study of the Developmental Center.

SECTION__. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying, during the 2013-14 biennium, the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center. The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations to the sixty-fourth legislative assembly.

9 Add section relating to adjustment of personal needs allowances:
SECTION__. A new section is created and enacted as follows:

Personal Needs Allowances. At the end of each biennium, all personal needs allowances in all areas shall be adjusted by the consumer price index to become effective on January 1 of the following year.

HB 1012
1/19/2013
Attachment #

13.8141.01004
Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee
February 19, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the semicolon insert "to provide for intermediate care facility construction review and personal needs allowances; to create and enact a new subsection to section 50-24.4-07 of the North Dakota Century Code, relating to nonallowable costs;"

Page 1, replace lines 16 through 21 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$5,069,755
Northwest human service center	8,674,568	243,623	8,918,191
North central human service center	20,902,226	1,046,945	21,949,171
Lake region human service center	11,244,306	1,451,827	12,696,133
Northeast human service center	28,089,450	(246,675)	27,842,775
Southeast human service center	33,747,874	3,942,598	37,690,472
South central human service center	16,466,240	287,643	16,753,883
West central human service center	26,352,443	3,110,147	29,462,590
Badlands human service center	11,708,054	597,664	12,305,718
State hospital	71,423,200	1,641,436	73,064,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, remove lines 12 and 13

Page 3, replace lines 15 through 19 with:

"Demolish refectory and pleasant view building - Developmental center	0	220,000
State hospital capital projects	1,800,000	789,714
Grants	0	775,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$2,594,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,508,621"

Page 4, remove lines 3 through 10

Page 4, after line 31, insert:

"**SECTION 7.** A new subsection to section 50-24.4-07 of the North Dakota Century Code is created and enacted as follows:

The department shall exclude income received from a political subdivision or local taxing authority or income received from mineral rights, mineral lease income, or royalties as an offset to costs."

Page 5, after line 23, insert:

"**SECTION 9.**

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 10.

Personal needs allowance adjustments.

At the end of each biennium, the department of human services shall determine an adjustment for each personal needs allowance for applicable program based on the overall consumer price index for the previous calendar year. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the department of human services determines the adjustment would result in a decrease in the personal needs allowance, the personal needs allowance may not be changed.

SECTION 11. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion

project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 12. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes $150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 13. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes $200,000 from the general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying during the 2013-14 interim the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center. The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 15. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER BUILDINGS. It is the intent of the sixty-third legislative assembly that the department of human services demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton. If the amount of $220,000 included in the developmental center line item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both buildings, the department of human services may request emergency commission approval for additional funding from the state contingencies appropriation."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy			
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
DHS - State Hospital			
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473

DHS - Developmental Center			
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
DHS - Statewide HSC			
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC			
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391
DHS - North Central HSC			
Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
DHS - Northeast HSC			
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
DHS - Southeast HSC			
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246
DHS - South Central HSC			
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
DHS - West Central HSC			
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
DHS - Badlands HSC			
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
Bill total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

Department No. 326 - DHS - Management - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages	($16,808,311)	($16,808,311)
Operating expenses	(5,545,840)	(5,545,840)
Capital assets	(204,160)	(204,160)
Total all funds	($22,558,311)	($22,558,311)
Less estimated income	(4,539,635)	(4,539,635)
General fund	($18,018,676)	($18,018,676)
FTE	(1.00)	(1.00)

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages		
Operating expenses	(1,997,151)	(1,997,151)
Grants	100,000	100,000
Grants - Medical assistance	(16,929,603)	(16,929,603)
	($18,826,754)	($18,826,754)

Total all funds		
Less estimated income	(8,245,034)	(8,245,034)
General fund	($10,581,720)	($10,581,720)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverge		(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)
Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long-Term Care Program				
Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $5,855,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant		200,000		200,000
Changes funding source from general fund to health care trust fund to increase property limits for nursing homes		(546,786)	546,786	0

Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants			425,000	425,000
Aging Services Program				
Reduces funding for guardianship services		(1,000,000)		(1,000,000)
Children and Family Services Program				
Removes funding for postadoption services		(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation		150,000		150,000
Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of House Changes

	House Changes[1]	Total House Changes
State Hospital	($425,000)	($425,000)
Total all funds	($425,000)	($425,000)
Less estimated income	0	0
General fund	($425,000)	($425,000)
FTE	0.00	0.00

1

	General	Estimated

	FTE	Fund	Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug Building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
FTE	392.55	0.00	392.55

Department No. 330 - DHS - Developmental Center - Detail of House Changes

	House Changes[1]	Total House Changes
Developmental Center	($290,000)	($290,000)
Total all funds	($290,000)	($290,000)
Less estimated income	0	0
General fund	($290,000)	($290,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Changes	House Version
DHS - Management	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy	934,635,685	(10,581,720)	924,053,965
DHS - State Hospital	54,235,473	(425,000)	53,810,473
DHS - Developmental Center	24,986,252	(290,000)	24,696,252
DHS - Statewide HSC	4,994,616	(600,000)	4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593
DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$61,473,447	($4,539,635)	$56,933,812
DHS - Program/Policy	1,429,648,423	(8,245,034)	1,421,403,389
DHS - State Hospital	19,254,163		19,254,163
DHS - Developmental Center	28,064,218		28,064,218
DHS - Statewide HSC	1,075,139	(400,000)	675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$1,613,649,730	($13,509,669)	$1,600,140,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$124,062,199	($22,558,311)	$101,503,888
DHS - Program/Policy	2,364,284,108	(18,826,754)	2,345,457,354
DHS - State Hospital	73,489,636	(425,000)	73,064,636
DHS - Developmental Center	53,050,470	(290,000)	52,760,470
DHS - Statewide HSC	6,069,755	(1,000,000)	5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883
DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
FTE	2197.08	(1.00)	2196.08

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				
-40,000		($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)

House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				

Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Nursing facility nonallowable costs.
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances.
  - A Legislative Management study of the Developmental Center.

HB 1012
1/19/2013

13.8141.01005
Title.

Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee
February 19, 2013

Attachment #2

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the semicolon insert "to provide for intermediate care facility construction review and personal needs allowances; to create and enact a new subsection to section 50-24.4-07 of the North Dakota Century Code, relating to nonallowable costs;"

Page 1, replace lines 16 through 21 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$5,069,755
Northwest human service center	8,674,568	243,623	8,918,191
North central human service center	20,902,226	1,046,945	21,949,171
Lake region human service center	11,244,306	1,451,827	12,696,133
Northeast human service center	28,089,450	(246,675)	27,842,775
Southeast human service center	33,747,874	3,942,598	37,690,472
South central human service center	16,466,240	287,643	16,753,883
West central human service center	26,352,443	3,110,147	29,462,590
Badlands human service center	11,708,054	597,664	12,305,718
State hospital	71,423,200	1,641,436	73,064,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, remove lines 12 and 13

Page 3, replace lines 15 through 19 with:

"Demolish refectory and pleasant view building - Developmental center	0	220,000
State hospital capital projects	1,800,000	789,714
Grants	0	775,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$2,594,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,508,621"

Page 4, remove lines 3 through 10

Page 4, after line 31, insert:

"**SECTION 7.** A new subsection to section 50-24.4-07 of the North Dakota Century Code is created and enacted as follows:

The department shall exclude income received from a political subdivision or local taxing authority or income received from mineral rights, mineral lease income, or royalties as an offset to costs."

Page 5, after line 23, insert:

"**SECTION 9.**

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 10.

Personal needs allowance adjustments.

As of June 30 at the end of each biennium, the department of human services shall determine an adjustment for each category of personal needs allowance based on the consumer price index for urban consumers for the previous twelve months. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the consumer price index is a negative factor, the personal needs allowance may not be changed.

SECTION 11. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion

project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 12. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes $150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 13. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes $200,000 from the general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying during the 2013-14 interim the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center. The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 15. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER BUILDINGS. It is the intent of the sixty-third legislative assembly that the department of human services demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton. If the amount of $220,000 included in the developmental center line item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both buildings, the department of human services may request emergency commission approval for additional funding from the state contingencies appropriation."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy			
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
DHS - State Hospital			
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473

DHS - Developmental Center			
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
DHS - Statewide HSC			
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC			
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391
DHS - North Central HSC			
Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
DHS - Northeast HSC			
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
DHS - Southeast HSC			
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246
DHS - South Central HSC			
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
DHS - West Central HSC			
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
DHS - Badlands HSC			
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
Bill total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

Department No. 326 - DHS - Management - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages	($16,808,311)	($16,808,311)
Operating expenses	(5,545,840)	(5,545,840)
Capital assets	(204,160)	(204,160)
Total all funds	($22,558,311)	($22,558,311)
Less estimated income	(4,539,635)	(4,539,635)
General fund	($18,018,676)	($18,018,676)
FTE	(1.00)	(1.00)

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages		
Operating expenses	(1,997,151)	(1,997,151)
Grants	100,000	100,000
Grants - Medical assistance	(16,929,603)	(16,929,603)
	($18,826,754)	($18,826,754)

Total all funds		
Less estimated income	(8,245,034)	(8,245,034)
General fund	($10,581,720)	($10,581,720)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage		(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)
Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long-Term Care Program				
Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $7,000,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant		200,000		200,000
Changes funding source from general fund to health care trust fund to increase property limits for nursing homes		(546,786)	546,786	0

Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants			425,000	425,000
Aging Services Program				
Reduces funding for guardianship services		(1,000,000)		(1,000,000)
Children and Family Services Program				
Removes funding for postadoption services		(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation		150,000		150,000
Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of House Changes

	House Changes[1]	Total House Changes
State Hospital	($425,000)	($425,000)
Total all funds	($425,000)	($425,000)
Less estimated income	0	0
General fund	($425,000)	($425,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug Building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
	$53,050,470	($290,000)	$52,760,470
Total all funds			
Less estimated income	28,064,218	0	28,064,218
	$24,986,252	($290,000)	$24,696,252
General fund			
	392.55	0.00	392.55
FTE			

Department No. 330 - DHS - Developmental Center - Detail of House Changes

	House Changes[1]	Total House Changes
Developmental Center	($290,000)	($290,000)
Total all funds	($290,000)	($290,000)
Less estimated income	0	0
General fund	($290,000)	($290,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Changes	House Version
DHS - Management	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy	934,635,685	(10,581,720)	924,053,965
DHS - State Hospital	54,235,473	(425,000)	53,810,473
DHS - Developmental Center	24,986,252	(290,000)	24,696,252
DHS - Statewide HSC	4,994,616	(600,000)	4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593

DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$61,473,447	($4,539,635)	$56,933,812
DHS - Program/Policy	1,429,648,423	(8,245,034)	1,421,403,389
DHS - State Hospital	19,254,163		19,254,163
DHS - Developmental Center	28,064,218		28,064,218
DHS - Statewide HSC	1,075,139	(400,000)	675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$1,613,649,730	($13,509,669)	$1,600,140,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$124,062,199	($22,558,311)	$101,503,888
DHS - Program/Policy	2,364,284,108	(18,826,754)	2,345,457,354
DHS - State Hospital	73,489,636	(425,000)	73,064,636
DHS - Developmental Center	53,050,470	(290,000)	52,760,470
DHS - Statewide HSC	6,069,755	(1,000,000)	5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883
DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
FTE	2197.08	(1.00)	2196.08

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				

	-40,000	($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989.171
North Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Nursing facility nonallowable costs.
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances.
  - A Legislative Management study of the Developmental Center.

13.8141.01005
Title.

Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee
February 19, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the semicolon insert "to provide for intermediate care facility construction review and personal needs allowances; to create and enact a new subsection to section 50-24.4-07 of the North Dakota Century Code, relating to nonallowable costs;"

Page 1, replace lines 16 through 21 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$5,069,755
Northwest human service center	8,674,568	243,623	8,918,191
North central human service center	20,902,226	1,046,945	21,949,171
Lake region human service center	11,244,306	1,451,827	12,696,133
Northeast human service center	28,089,450	(246,675)	27,842,775
Southeast human service center	33,747,874	3,942,598	37,690,472
South central human service center	16,466,240	287,643	16,753,883
West central human service center	26,352,443	3,110,147	29,462,590
Badlands human service center	11,708,054	597,664	12,305,718
State hospital	71,423,200	1,641,436	73,064,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, remove lines 12 and 13

Page 3, replace lines 15 through 19 with:

"Demolish refectory and pleasant view building - Developmental center	0	220,000
State hospital capital projects	1,800,000	789,714
Grants	0	775,000"

Page 3, replace lines 27 through 29 with:

"Total all funds	$50,349,515	$2,594,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,508,621"

Page 4, remove lines 3 through 10

Page 4, after line 31, insert:

"**SECTION 7.** A new subsection to section 50-24.4-07 of the North Dakota Century Code is created and enacted as follows:

The department shall exclude income received from a political subdivision or local taxing authority or income received from mineral rights, mineral lease income, or royalties as an offset to costs."

Page 5, after line 23, insert:

"**SECTION 9.**

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 10.

Personal needs allowance adjustments.

As of June 30 at the end of each biennium, the department of human services shall determine an adjustment for each category of personal needs allowance based on the consumer price index for urban consumers for the previous twelve months. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the consumer price index is a negative factor, the personal needs allowance may not be changed.

SECTION 11. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of $425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion

project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 12. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes $150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 13. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes $200,000 from the general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013, and ending June 30, 2015. Of the funding provided, $120,000 of the amount may be used for a project coordinator and the remaining amount may be used for any equipment necessary for the adaptive skiing program.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER. The legislative management shall consider studying during the 2013-14 interim the developmental center in Grafton. If conducted, the study must determine future use, reduction in size, and any change of scope for the developmental center. The study must consider information from local community groups that have concerns or ideas for the future use of the developmental center. The legislative management shall report its findings and recommendations, along with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 15. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER BUILDINGS. It is the intent of the sixty-third legislative assembly that the department of human services demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton. If the amount of $220,000 included in the developmental center line item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both buildings, the department of human services may request emergency commission approval for additional funding from the state contingencies appropriation."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Management			
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy			
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
DHS - State Hospital			
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473

DHS - Developmental Center			
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
DHS - Statewide HSC			
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC			
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391
DHS - North Central HSC			
Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
DHS - Lake Region HSC			
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
DHS - Northeast HSC			
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
DHS - Southeast HSC			
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246
DHS - South Central HSC			
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
DHS - West Central HSC			
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
DHS - Badlands HSC			
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
Bill total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

Department No. 326 - DHS - Management - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages	($16,808,311)	($16,808,311)
Operating expenses	(5,545,840)	(5,545,840)
Capital assets	(204,160)	(204,160)
Total all funds	($22,558,311)	($22,558,311)
Less estimated income	(4,539,635)	(4,539,635)
General fund	($18,018,676)	($18,018,676)
FTE	(1.00)	(1.00)

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of House Changes

	House Changes[1]	Total House Changes
Salaries and wages		
Operating expenses	(1,997,151)	(1,997,151)
Grants	100,000	100,000
Grants - Medical assistance	(16,929,603)	(16,929,603)
	($18,826,754)	($18,826,754)

Total all funds		
Less estimated income	(8,245,034)	(8,245,034)
General fund	($10,581,720)	($10,581,720)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Reduces by 50 percent, funding provided In executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage		(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)
Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long-Term Care Program				
Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $7,000,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant		200,000		200,000
Changes funding source from general fund to health care trust fund to increase property limits for nursing homes		(546,786)	546,786	0

Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants			425,000	425,000
Aging Services Program				
Reduces funding for guardianship services		(1,000,000)		(1,000,000)
Children and Family Services Program				
Removes funding for postadoption services		(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation		150,000		150,000
Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of House Changes

	House Changes[1]	Total House Changes
State Hospital	($425,000)	($425,000)
Total all funds	($425,000)	($425,000)
Less estimated income	0	0
General fund	($425,000)	($425,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug Building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
	$53,050,470	($290,000)	$52,760,470
Total all funds			
Less estimated income	28,064,218	0	28,064,218
	$24,986,252	($290,000)	$24,696,252
General fund			
	392.55	0.00	392.55
FTE			

Department No. 330 - DHS - Developmental Center - Detail of House Changes

	House Changes[1]	Total House Changes
Developmental Center	($290,000)	($290,000)
Total all funds	($290,000)	($290,000)
Less estimated income	0	0
General fund	($290,000)	($290,000)
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Changes	House Version
DHS - Management	$62,588,752	($18,018,676)	$44,570,076
DHS - Program/Policy	934,635,685	(10,581,720)	924,053,965
DHS - State Hospital	54,235,473	(425,000)	53,810,473
DHS - Developmental Center	24,986,252	(290,000)	24,696,252
DHS - Statewide HSC	4,994,616	(600,000)	4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593

DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$1,176,869,527	($31,534,552)	$1,145,334,975

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$61,473,447	($4,539,635)	$56,933,812
DHS - Program/Policy	1,429,648,423	(8,245,034)	1,421,403,389
DHS - State Hospital	19,254,163		19,254,163
DHS - Developmental Center	28,064,218		28,064,218
DHS - Statewide HSC	1,075,139	(400,000)	675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$1,613,649,730	($13,509,669)	$1,600,140,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Changes	House Version
DHS - Management	$124,062,199	($22,558,311)	$101,503,888
DHS - Program/Policy	2,364,284,108	(18,826,754)	2,345,457,354
DHS - State Hospital	73,489,636	(425,000)	73,064,636
DHS - Developmental Center	53,050,470	(290,000)	52,760,470
DHS - Statewide HSC	6,069,755	(1,000,000)	5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883
DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036
FTE	2197.08	(1.00)	2196.08

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				

	-40,000	($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

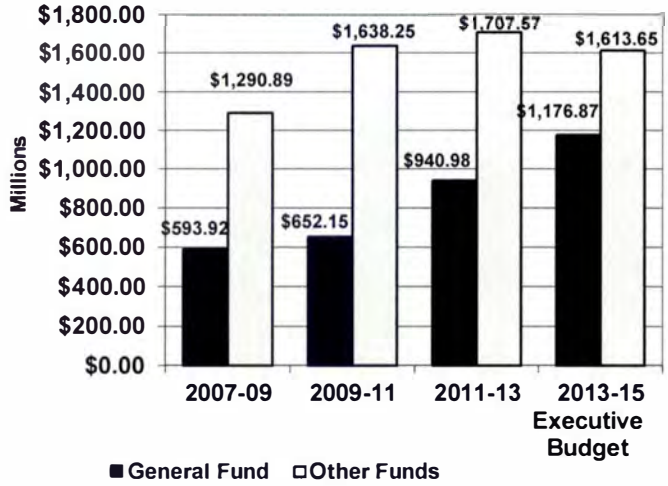
- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Nursing facility nonallowable costs.
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances.
  - A Legislative Management study of the Developmental Center.

Department 325 - Department of Human Services
House Bill No. 1012

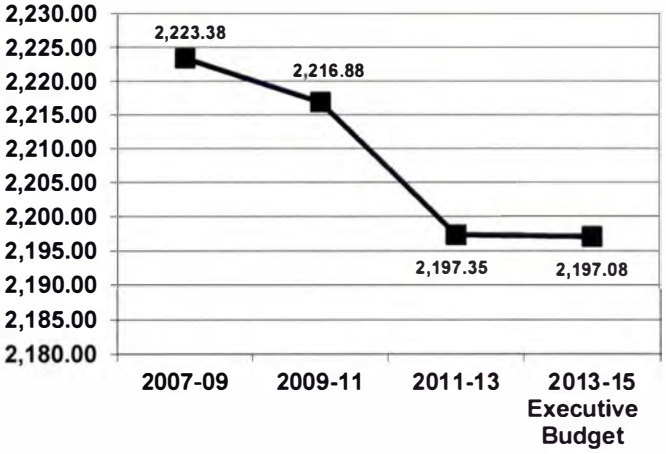
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	2,197.08	$1,176,869,527	$1,613,649,730	$2,790,519,257
2011-13 Legislative Appropriations	2,197.35	940,976,017	1,707,572,238	2,648,548,255[1]
Increase (Decrease)	(0.27)	$235,893,510	($93,922,508)	$141,971,002

[1]The 2011-13 appropriation amounts do not include $19,879,775, of which $965,771 is from the general fund, of carryover from the 2009-11 biennium and an allocation of $93,519 from the general fund from the Office of Management and Budget for student internships.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	$1,167,242,898	$9,626,629	$1,176,869,527
2011-13 Legislative Appropriations	927,187,922	13,788,095	940,976,017
Increase (Decrease)	$240,054,976	($4,161,466)	$235,893,510

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
Departmentwide			
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 55.12 percent in federal fiscal year 2013 to 50 percent in federal fiscal year 2014. The department anticipates North Dakota's FMAP to remain at 50 percent for federal fiscal year 2015. These changes are also reflected in selected program amounts below.	$93,347,906	($93,364,313)	($16,407)
2. Provides a 4 percent per year inflationary increase for human service providers. The Legislative Assembly in 2011 approved a 3 percent per year inflationary increase for all providers excluding physicians.	$40,870,206	$40,416,214	$81,286,420

3. Reduces funding for salaries and wages by $4,283,030 from the general fund in anticipation of savings resulting from employee turnover and position vacancies. **The House removed the deputy director FTE position and related funding of $310,563, of which $248,357 is from the general fund.**	($4,283,030)		($4,283,030)
4. Provides funding for state employee salary increases, of which $14,574,179 relates to performance increases and $9,784,705 is for market equity adjustments. **The House added $323,229 to correct the executive compensation package and reduced funding by $10,992,040 relating to performance and market equity salary increases.**	$16,807,630	$7,551,254	$24,358,884
Management			
1. Adds **one-time funding** for salary enhancements for staff in Williston, Minot, and Dickinson. **The House removed this funding.**	$3,253,008	$514,992	$3,768,000
2. Removes **one-time funding** provided in the 2011-13 biennium for the Information Technology Services Division	($11,171,765)	($55,446,690)	($66,618,455)
3. Adjusts funding for program and cost changes for the Information Technology Services Division (detailed changes not identified)	$2,998,397	$3,271,607	$6,270,004
4. Adds **one-time funding** for replacement of the field services electronic health records system. **The House removed this funding.**	$5,000,000		$5,000,000
5. Adds **one-time funding** for analyzing the feasibility of removing the remaining department systems that run on the mainframe to a new application or a new operating environment	$148,907	$661,093	$810,000
Program and Policy			
1. Provides $5,597,322 from the general fund for **Indian county payments**	$606,961		$606,961
2. Reduces funding for **temporary assistance for needy families** (TANF) costs to $14,505,536, of which $445,001 is from the general fund and $8,979,599 is from retained funds. The funding level is anticipated to provide services for an average monthly caseload of 1,799 and to provide an average payment of $336 per case.	($5,086,957)	$2,853,243	($2,233,714)
3. Provides $20,898,665, of which $252,686 is from the general fund, $6,917,975 is from retained funds, and the remainder from federal funds, for **child care grants**. The change reflects an increase of $23,117 in retained funds and an increase of $320,696 in federal funds.		$343,813	$343,813
4. Decreases federal funding for supplemental nutrition assistance program (SNAP) or **food stamp benefits** to provide a total of $201,289,482		($40,653,014)	($40,653,014)
5. Increases funding for the **low-income home energy assistance program** (LIHEAP) to provide a total of $41,393,130		$1,956,853	$1,956,853
6. Provides $603,272,940, of which $244,944,194 is from the general fund, for **medical assistance grants** in the medical services program compared to $563,586,902 provided for the 2011-13 biennium, of which $197,027,430 was from the general fund. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium. **The House decreased funding for medical assistance by $2,209,000, of which $909,500 is from the general fund, to reduce projected caseload/utilization rates. The House also removed $4,536,598, of which $2,268,289 is from the general fund, to reduce by 50 percent, funding for anticipated previously eligible individuals who might now apply for Medicaid coverage.**	$1,946,720	$3,934,355	$5,881,075

Adds additional general fund support as a result of FMAP changes	$29,381,242	($29,381,242)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, individuals currently eligible for Medicaid but not receiving services, QSP mileage reimbursement, increasing the personal care allowance from $50 to $65 for psychiatric treatment facilities and SSI clients, continuing payments to critical access hospitals, and rebasing payment to rural health clinics to Medicare rates	$16,588,802	$17,216,161	$33,804,963
7. Increases funding for **Healthy Steps** (children's health insurance program) to provide a total of $33.3 million, of which $11.6 million is from the general fund, to provide health insurance coverage for an average of 4,456 children at a monthly premium of $311.79. The executive budget recommends maintaining eligibility requirements for the program at 160 percent of the federal poverty level based on net income.	$3,110,516	$2,709,152	$5,819,668
8. Includes $29,487,399, of which $28,352,679 is from the general fund and $1,134,720 is from estate collections, 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. The amount provided is an increase of $3,179,920 from the 2011-13 biennium appropriation of $26,307,479, of which $25,152,575 was from the general fund. **The House added $248,265 from the general fund for additional clawback payments for Medicare Part D.**	$3,200,104	($20,184)	$3,179,920
9. Provides $501,294,823, of which $249,740,962 is from the general fund, for **nursing facility care** under the long-term care program compared to $459,836,020, of which $202,407,983 was from the general fund, provided for the 2011-13 biennium. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium. **The House decreased funding for long-term care by $7 million, of which $3.5 million is from the general fund to reduce projected caseload/utilization rates.**	$6,446,175	$6,337,787	$12,783,962
Adds general fund support as a result of FMAP changes	$26,568,735	($26,568,735)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $50 to $65, and a provider 50 cents per hour wage passthrough	$14,318,069	$14,356,772	$28,674,841
10. Provides $36,280,327, of which $22,927,750 is from the general fund, for **basic care services** compared to $25,972,395, of which $14,812,502 was from the general fund, for the 2011-13 biennium. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$3,537,858	$1,792,790	$5,330,648
Adds general fund support as a result of FMAP changes	$1,064,982	($1,064,982)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $85 to $100 and a provider 50 cents per hour wage passthrough. **The House decreased funding for basic care by $193,725 from the general fund, to maintain the personal needs allowance at $85 per month.**	$3,512,408	$1,464,876	$4,997,284
11. Increases funding for service payments for elderly and disabled (**SPED**) and **expanded SPED** to $15,860,106, of which $15,133,442 is from the general fund, compared to the 2011-13			

biennium appropriation of $14,725,212, of which $14,036,062 was from the general fund. Major changes include:			
Reduces funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium. **The House decreased funding for Expanded SPED by $145,000 from the general fund to reduce projected caseload/utilization rates.**	($1,976,563)	($110,732)	($2,087,295)
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, expansion of home delivered meals, expansion of personal care services, a provider 50 cents per hour wage passthrough, and a QSP mileage reimbursement	$3,073,943	$148,246	$3,222,189
12. Increases funding for the **home and community-based care waiver** to $12,933,078, of which $6,444,623 is from the general fund, compared to the 2011-13 biennium appropriation of $9,538,386, of which $4,216,157 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium. **The House decreased funding for the home and community-based care waiver by $1 million, of which $500,000 is from the general fund, to reduce projected caseload/utilization rates.**	$802,102	$1,009,848	$1,811,950
Adds general fund support as a result of FMAP changes	$636,730	($636,730)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$789,634	$793,108	$1,582,742
13. Increases funding for **targeted case management** to $1,735,896, of which $864,773 is from the general fund, compared to the 2011-13 biennium appropriation of $1,564,749, of which $690,422 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	$32,711	$38,801	$71,512
Adds general fund support as a result of FMAP changes	$91,941	($91,941)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$49,699	$49,936	$99,635
14. Decreases funding for the **personal care option** to $27,867,758, of which $13,884,052 is from the general fund, compared to the 2011-13 biennium appropriation of $29,149,905, of which $12,886,305 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	($1,888,596)	($2,375,416)	($4,264,012)
Adds general fund support as a result of FMAP changes	$1,398,728	($1,398,728)	
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers	$1,487,615	$1,494,250	$2,981,865
15. Provides $502,420,761, of which $247,016,261 is from the general fund, for **developmental disabilities services** under the long-term care program compared to the 2011-13 biennium appropriation of $396,996,033, of which $174,231,307 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium. **The House decreased funding for developmental disabilities services by $2,300,000, of which $1,150,000 is from the general fund, to reduce caseload/utilization rates.**	$27,217,103	$36,252,885	$63,469,988

Adds general fund support as a result of FMAP changes	$24,750,876	($24,767,283)	($16,407)
Executive budget changes, including funding for 4 percent per year inflationary adjustments for human services providers, increasing the personal care allowance from $85 to $100 and a provider 50 cents per hour wage passthrough. **The House decreased funding for intermediate care facilities by $170,280, of which $85,125 is from the general fund, to maintain the personal needs allowance at $85 per month.**	$20,816,975	$21,154,172	$41,971,147
16. Provides $71,720,531, of which $11,764,958 is from the general fund, for **foster care services** compared to the 2011-13 biennium appropriation of $66,650,710, of which $11,922,010 was from the general fund. Major changes include:			
Adds funding for cost and caseload/utilization changes, including the cost to continue inflationary increases provided in the 2011-13 biennium	($1,175,577)	$2,191,101	$1,015,524
Adds general fund support as a result of FMAP changes	$1,168,800	($1,168,800)	
Executive budget changes, including 4 percent per year inflationary adjustments for human services providers	$806,897	$3,247,400	$4,054,297
17. Provides $24,348,509, of which $11,156,878 is from the general fund, for subsidized adoption compared to the 2011-13 biennium appropriation of $20,208,724, of which $9,159,965 was from the general fund	$1,996,913	$2,142,872	$4,139,785
18. Increases funding for peer support services. **The House removed this funding.**	$300,000		$300,000
19. Increases funding for guardianship services provided by the Aging Services Division. **The House removed this funding.**	$1,000,000		$1,000,000
20. Increases funding for payments to Centers for Independent Living for a total of $2,544,539	$800,000		$800,000
21. Increases funding to senior services providers for congregate meals	$800,000		$800,000
22. Provides funding for facilitators in each quadrant of the state to act as a resource to patients with a traumatic brain injury	$320,000		$320,000
23. Provides funding for 2-1-1 services	$150,000		$150,000
24. Increases funding for Healthy Families to $750,000	$250,000		$250,000
State Hospital			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$198,045	($198,045)	
2. Adjusts funding for program, cost, and caseload/utilization changes	$1,026,281	($1,565,110)	($538,829)
3. Provides ongoing funding for extraordinary repairs. **The House decreased this funding by $75,000 to remove funding for water temperature controls for shower rooms in the LaHaug building.**	$910,454		$910,454
4. Provides ongoing funding for equipment over $5,000	$251,413		$251,413
5. Provides **one-time funding** for street reconstruction project	$864,714		$864,714
6. Removes **one-time funding** provided in the 2011-13 biennium for capital projects (The amount shown does not reflect carryover funding from the 2009-11 biennium of $62,601.)	($1,800,000)		($1,800,000)
7. Removes funding provided in the 2011-13 biennium for extraordinary repairs ($703,650) and equipment over $5,000 ($30,000)	($733,650)		($733,650)
Developmental Center			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$2,795,330	($2,795,330)	
2. Adjusts funding for program, cost, and caseload/utilization changes	($2,094,772)	$2,094,772	

3. Provides ongoing funding for extraordinary repairs	$601,495		$601,495
4. Provides ongoing funding for equipment over $5,000	$152,000		$152,000
5. Provides **one-time funding** for demolition of the Refectory ($240,000) and Pleasant View buildings ($120,000). **The House reduced this funding by $140,000 to provide $220,000 for demolition of both buildings.**	$360,000		$360,000
6. Removes funding provided in the 2011-13 biennium for extraordinary repairs	($579,469)		($579,469)
Human Service Centers			
1. Reflects the additional state matching funds required due to changes in the state's FMAP	$2,635,928	($2,635,928)	
2. Adjusts funding for program, cost, and caseload/utilization changes. **The House removed funding of $40,000 at each human service center, for a total of $320,000 from the general fund, for the transition to independence program.**	$2,704,558	($2,446,224)	$258,334
3. Removes funding provided in the 2011-13 biennium for extraordinary repairs and equipment over $5,000	($81,928)	($4,628)	($86,556)
4. Provides ongoing funding for extraordinary repairs	$34,345		$34,345
5. Provides ongoing funding for equipment over $5,000	$37,000		$37,000
6. Provides for inflationary increases of 4 percent for each year of the 2013-15 biennium	$1,616,296	$89,496	$1,705,792
7. Provides funding to contract with a vendor for an 8-bed transitional living facility (Lake Region Human Service Center)	$401,414	$328,326	$729,740
8. Provides funding for temporary staff in several program areas (Southeast Human Service Center)	$399,753	$5,144	$404,897
9. Provides funding to contract with a vendor for a 16-bed transitional living facility to support individuals with serious mental illness and chronic addiction (Southeast Human Service Center). **The House removed this funding.**	$975,000	$325,000	$1,300,000
10. Provides funding for additional FTE positions for providing developmental disabilities case management services (Southeast Human Service Center) (The department is to provide the FTE positions from within the department's authorized FTE level.)	$137,341	$103,611	$240,952
11. Provides funding to support 1 FTE position for the partnership program and to convert 3 temporary employees to FTE positions for the mental illness case management services (Southeast Human Service Center) (The department is to provide the FTE positions from within the department's authorized FTE level.)	$222,649		$222,649
12. Provides funding to increase short-term crisis residential bed capacity (West Central Human Service Center). **The House removed this funding.**	$324,156		$324,156
13. Provides funding to increase long-term crisis residential bed capacity (West Central Human Service Center)	$407,041	$361,759	$769,700
14. Provides funding to expand contracts for medical detox services (Badlands Human Service Center)	$30,000		$30,000

Other Sections in Bill

Appropriation - Section 3 appropriates any federal funds from the Affordable Care Act available to the Department of Human Services for implementing the provisions for the Medicaid expansion for the 2013-15 biennium. **The House removed this section.**

Transfers - Section 4 provides that the Department of Human Services may transfer appropriation authority between line items within each subdivision and between subdivisions for the 2013-15 biennium. The department is to report to the Budget Section after June 30, 2014, on any transfers made in excess of $50,000 and to the Appropriations Committees of the 63rd Legislative Assembly any transfers made.

Medicaid management information system replacement project - Section 5 provides for the continuation of the legislative appropriation for the Medicaid management information system replacement project in the 2013-15 biennium.

Medicaid upper payment limits - Section 6 provides that any appropriated increase for human service providers paid with Medicaid funding may only be provided to the extent the increase does not exceed the upper payment limit for that specific Medicaid service.

Rural health clinics - Section 7 provides that the Department of Human Services is to rebase rural health clinics to Medicare rates. Future increases are to be based on approved inflationary increases.

Expanded SPED eligibility - Section 8 amends North Dakota Century Code Section 50-24.7-01(6) relating to definitions for Expanded SPED.

Facility construction - The House added a section to require all intermediate care facility providers to submit all facility construction or remodeling proposals to the Department of Human Services prior to entering a contract for the project.

Personal needs allowance adjustments - The House added a section requiring the Department of Human Services to determine an adjustment for each category of personal needs allowances at the end of each biennium.

Grant to assisted living center - The House added a section and one-time funding of $425,000 from the health care trust fund for a grant to an assisted living center that accepts low-income tenants for an expansion project.

County social service grant - The House added a section and one-time funding of $150,000 from the general fund for a grant to a jurisdiction that is most affected by an Indian reservation but does not receive reimbursement payments pursuant to Section 50-01.2-03.2.

Grant for adaptive skiing - The House added a section and one-time funding of $200,000 from the general fund for a grant to an organization that provides an adaptive skiing program.

Legislative Management study - The House added a section providing that the Legislative Management consider a study of the Developmental Center in Grafton.

Legislative intent - The House added a section of legislative intent requiring the Department of Human Services to demolish the Refectory and Pleasant View buildings at the Developmental Center at a cost of $220,000. If the funding is insufficient to cover the cost of demolition, the department is to request Emergency Commission approval for additional funding from the state contingencies appropriation.

Continuing Appropriations

Child support collection and disbursement - 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 - 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

Child support cooperative agreements - Section 50-09-33 - Allows the department to accept federal funds and other income generated by the department under a cooperative agreement with an Indian tribe for child support enforcement services for hiring staff and payment of other expenses as necessary for carrying out the department's duties under the agreement

Significant Audit Findings

The operational audit for the Department of Human Services conducted by the State Auditor's office during the 2011-12 interim identified the following significant audit findings:

- Control/fraud risk assessment not completed
- Inadequate controls surrounding revenue collections at various human service centers and the State Hospital
- Lack of internal controls at the State Hospital's commissary
- Financial reporting errors for the state's comprehensive annual financial report
- Lack of child care assistance controls

Major Related Legislation

House Bill No. 1023 - Provides a 2011-13 deficiency appropriation of $20.9 million from the general fund to the department for medical assistance grants relating to the reduction in the state's FMAP

House Bill No. 1034 - Provides for a Legislative Management study on health care reform. The department would be required to provide status reports on the state of health insurance and health-related public assistance.

House Bill No. 1035 - Extends the date for the moratoriums on expansion of basic care bed capacity and long-term care bed capacity from July 1, 2013, to July 1, 2015

House Bill No. 1170 - Provides nursing and basic care facilities with an expedited rate setting process for costs associated with the Patient Protection and Affordable Care Act of 2010 as it relates to providing health insurance policies to the facilities' employees

House Bill No. 1209 - Precludes the Department of Human Services from limiting compensation for upper management personnel of a basic care facility

House Bill No. 1233 - Provides for the state to assume the financial responsibility for family preservation services, foster care, subsidized adoption programs, and service payments to the elderly and disabled

House Bill No. 1358 - Provides an appropriation of $10 million from the strategic investment and improvements fund to the Department of Human Services for a grant program for critical access hospitals in oil-producing counties and in counties contiguous to an oil-producing county, for the 2013-15 biennium

House Bill No. 1360 - Authorizes the Department of Human Services to provide funding for the expansion of the Programs of All-Inclusive Care for the Elderly

House Bill No. 1362 - Appropriates to the Department of Human Services any amount of federal funds relating to implementing the provisions for the expansion of the medical assistance program from the Patient Protection and Affordable Care Act of 2010

House Bill No. 1422 - Provides a $2.1 million general fund appropriation to the Department of Human Services for a child care stabilization initiative

Senate Bill No. 2068 - Allows the department to convert residential child care facility bed capacity to psychiatric residential treatment facility bed capacity

Senate Bill No. 2069 - Changes the name of the developmental center in Grafton to the Life Skills and Transition Center

Senate Bill No. 2109 - Relates to eligibility determination for the children's health insurance program

Senate Bill No. 2193 - Provides a $400,000 general fund appropriation and one FTE position to the Department of Human Services for a state autism coordinator who would be responsible for implementing a resource and service center for individuals with autism spectrum disorder, for the 2013-15 biennium. The bill also provides a $500,000 general fund appropriation to the department for implementing a statewide autism spectrum disorder training effort, for the 2013-15 biennium.

Senate Bill No. 2205 - Provides a $233,979 general fund appropriation to the Department of Human Services for a grant to an organization for administering statewide 2-1-1 services, for the 2013-15 biennium

Senate Bill No. 2241 - Provides a $600,000 general fund appropriation to the Department of Human Services for providing competitive grants for substance abuse prevention, for the 2013-15 biennium

Senate Bill No. 2244 - Provides a $300,000 general fund appropriation to the Department of Human Services for contracting for early childhood services specialists to provide technical assistance to early childhood services providers, for the 2013-15 biennium. The bill also provides a $200,000 general fund appropriation to the department for providing grants to licensed early childhood services providers that provide care for children with disabilities or developmental delays, for the 2013-15 biennium.

Senate Bill No. 2303 - Requires the Department of Human Services to expand Medicaid coverage for pregnant women to the maximum allowed under federal law and requires Medicaid equivalent coverage to be provided to pregnant women who do not have private insurance and who exceed the maximum allowed under federal law

Senate Bill No. 2323 - Requires mandatory reporting of abuse or neglect of a vulnerable adult

Senate Bill No. 2356 - Provides a $300,000 general fund appropriation to the Department of Human Services for providing grants to children's advocacy centers, for the 2013-15 biennium

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Funding Summary

	Executive Budget	House Changes	House Version
DHS - Management			
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10
DHS - Program/Policy			
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50
DHS - State Hospital			
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45
DHS - Developmental Center			
Developmental Center	$53,050,470	($290,000)	$52,760,470
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
FTE	392.55	0.00	392.55
DHS - Statewide HSC			
Statewide human service centers	$6,069,755	($1,000,000)	$5,069,755
Total all funds	$6,069,755	($1,000,000)	$5,069,755
Less estimated income	1,075,139	(400,000)	675,139
General fund	$4,994,616	($600,000)	$4,394,616
FTE	13.00	0.00	13.00
DHS - Northwest HSC			
Northwest Human Service Center	$8,958,191	($40,000)	$8,918,191
Total all funds	$8,958,191	($40,000)	$8,918,191
Less estimated income	3,564,800	0	3,564,800
General fund	$5,393,391	($40,000)	$5,353,391
FTE	43.75	0.00	43.75
DHS - North Central HSC			
North Central Human Service Center	$21,989,171	($40,000)	$21,949,171

Total all funds	$21,989,171	($40,000)	$21,949,171
Less estimated income	9,185,305	0	9,185,305
General fund	$12,803,866	($40,000)	$12,763,866
FTE	120.78	0.00	120.78
DHS - Lake Region HSC			
Lake Region Human Service Center	$12,736,133	($40,000)	$12,696,133
Total all funds	$12,736,133	($40,000)	$12,696,133
Less estimated income	5,162,347	0	5,162,347
General fund	$7,573,786	($40,000)	$7,533,786
FTE	61.00	0.00	61.00
DHS - Northeast HSC			
Northeast Human Service Center	$27,882,775	($40,000)	$27,842,775
Total all funds	$27,882,775	($40,000)	$27,842,775
Less estimated income	14,138,342	0	14,138,342
General fund	$13,744,433	($40,000)	$13,704,433
FTE	138.50	0.00	138.50
DHS - Southeast HSC			
Southeast Human Service Center	$39,030,472	($1,340,000)	$37,690,472
Total all funds	$39,030,472	($1,340,000)	$37,690,472
Less estimated income	15,682,226	(325,000)	15,357,226
General fund	$23,348,246	($1,015,000)	$22,333,246
FTE	185.15	0.00	185.15
DHS - South Central HSC			
South Central Human Service Center	$16,793,883	($40,000)	$16,753,883
Total all funds	$16,793,883	($40,000)	$16,753,883
Less estimated income	7,813,290	0	7,813,290
General fund	$8,980,593	($40,000)	$8,940,593
FTE	83.50	0.00	83.50
DHS - West Central HSC			
West Central Human Service Center	$29,826,746	($364,156)	$29,462,590
Total all funds	$29,826,746	($364,156)	$29,462,590
Less estimated income	13,268,982	0	13,268,982
General fund	$16,557,764	($364,156)	$16,193,608
FTE	136.10	0.00	136.10
DHS - Badlands HSC			
Badlands Human Service Center	$12,345,718	($40,000)	$12,305,718
Total all funds	$12,345,718	($40,000)	$12,305,718
Less estimated income	5,319,048	0	5,319,048
General fund	$7,026,670	($40,000)	$6,986,670
FTE	74.70	0.00	74.70
Bill Total			
Total all funds	$2,790,519,257	($45,044,221)	$2,745,475,036

Less estimated income	1,613,649,730	(13,509,669)	1,600,140,061
General fund	$1,176,869,527	($31,534,552)	$1,145,334,975
FTE	2197.08	(1.00)	2196.08

House Bill No. 1012 - DHS - Management - House Action

	Executive Budget	House Changes[1]	House Version
Salaries and wages	$51,102,214	($16,808,311)	$34,293,903
Operating expenses	72,743,825	(5,545,840)	67,197,985
Capital assets	216,160	(204,160)	12,000
Total all funds	$124,062,199	($22,558,311)	$101,503,888
Less estimated income	61,473,447	(4,539,635)	56,933,812
General fund	$62,588,752	($18,018,676)	$44,570,076
FTE	148.10	(1.00)	147.10

1

	FTE	General Fund	Estimated Income	Total
Management - House changes:				
Administration - Support				
Corrects executive compensation package		223,028	$100,201	$323,229
Adjusts state employee compensation and benefits package		($8,990,339)	($4,062,638)	($13,052,977)
Removes deputy director position	(1.00)	($248,357)	($62,206)	($310,563)
Removes funding for allowances to employees in areas affected by oil development		(3,253,008)	(514,992)	($3,768,000)
Decreases funding for operating		(750,000)		($750,000)
Information Technology Services				
Removes funding for field services electronic health records system replacement		(5,000,000)		($5,000,000)
Changes line item for funding in capital assets that should be in operating				$0
Total House changes - Management	(1.00)	($18,018,676)	($4,539,635)	($22,558,311)

House Bill No. 1012 - DHS - Program/Policy - House Action

	Executive Budget	House Changes[1]	House Version
Salaries and wages	$48,842,118		$48,842,118
Operating expenses	106,543,180	(1,997,151)	104,546,029
Grants	453,774,130	100,000	453,874,130
Grants - Medical assistance	1,755,124,680	(16,929,603)	1,738,195,077
Total all funds	$2,364,284,108	($18,826,754)	$2,345,457,354
Less estimated income	1,429,648,423	(8,245,034)	1,421,403,389
General fund	$934,635,685	($10,581,720)	$924,053,965
FTE	342.50	0.00	342.50

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - House changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Reduces by 50 percent, funding provided in executive budget recommendation for previously eligible individuals who might now apply for Medicaid coverage		(2,268,289)	(2,268,309)	(4,536,598)
Removes funding for professional medical expert reviews of medical records and prior authorizations		(42,000)	(42,000)	(84,000)
Removes funding for program integrity services		(158,000)	(158,000)	(316,000)
Removes funding for a contract with a vendor to conduct prescreening of potential providers		(120,000)	(120,000)	(240,000)
Removes funding for oversight for qualified service provider mileage differential		(78,040)	(21,960)	(100,000)
Reduces overall caseload projections for medical services as follows: CHIP - $1,300,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $500,000		(909,500)	(1,299,500)	(2,209,000)
Adds funding for clawback payments for Medicare Part D		$248,265		$248,265
Long-Term Care Program				
Removes funding for personal needs allowances for basic care ($193,725) and ICFID ($170,280)		(278,850)	(85,155)	(364,005)
Reduces long-term care caseload projections as follows: Nursing homes - $7,000,000 HCBS waiver - $1,000,000 Expanded SPED - $145,000		(4,145,000)	(4,000,000)	(8,145,000)
Reduces developmental disabilities caseload projections		(1,150,000)	(1,150,000)	(2,300,000)
Adds funding for an adaptive skiing grant		200,000		200,000
Changes funding source from general fund to health care trust fund for the 48 month bed layaway program.		(546,786)	546,786	0
Provides funding from the health care trust fund for a grant for an expansion of an assisted living facility that accepts low-income tenants			425,000	425,000
Aging Services Program				

Reduces funding for guardianship services		(1,000,000)		(1,000,000)
Children and Family Services Program				
Removes funding for postadoption services		(133,520)	(71,896)	(205,416)
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from a reservation		150,000		150,000
Mental Health and Substance Abuse Program				
Removes funding for grants to be provided by the Governor's Prevention Advisory Council		(100,000)		(100,000)
Removes peer support funding from all regions		(300,000)		(300,000)
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
Provides funding for the older blind program		50,000		50,000
Total House changes - Program and Policy	0.00	($10,581,720)	($8,245,034)	($18,826,754)

House Bill No. 1012 - DHS - State Hospital - House Action

	Executive Budget	House Changes[1]	House Version
State Hospital	$73,489,636	($425,000)	$73,064,636
Total all funds	$73,489,636	($425,000)	$73,064,636
Less estimated income	19,254,163	0	19,254,163
General fund	$54,235,473	($425,000)	$53,810,473
FTE	457.45	0.00	457.45

1

	FTE	General Fund	Estimated Income
State Hospital - House changes:			
Reduces funding for operating		($350,000)	
Removes funding for water temperature controls for shower rooms in LaHaug building		(75,000)	
Total House changes - State Hospital	0.00	($425,000)	$0

House Bill No. 1012 - DHS - Developmental Center - House Action

	Executive Budget	House Changes[1]	House Version
Developmental Center	$53,050,470	($290,000)	$52,760,470
Total all funds	$53,050,470	($290,000)	$52,760,470
Less estimated income	28,064,218	0	28,064,218
General fund	$24,986,252	($290,000)	$24,696,252
FTE	392.55	0.00	392.55

1

	FTE	General Fund	Estimated Income	Total
Developmental Center - House changes:				
Decreases funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000		($140,000)		($140,000)
Decreases funding for operating expenses		(150,000)		($150,000)
Total House changes - Developmental Center	0.00	($290,000)	$0	($290,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary of House Action

	Executive Budget	House Changes[1]	House Version
DHS - Statewide HSC	$4,994,616	($600,000)	$4,394,616
DHS - Northwest HSC	5,393,391	(40,000)	5,353,391
DHS - North Central HSC	12,803,866	(40,000)	12,763,866
DHS - Lake Region HSC	7,573,786	(40,000)	7,533,786
DHS - Northeast HSC	13,744,433	(40,000)	13,704,433
DHS - Southeast HSC	23,348,246	(1,015,000)	22,333,246
DHS - South Central HSC	8,980,593	(40,000)	8,940,593
DHS - West Central HSC	16,557,764	(364,156)	16,193,608
DHS - Badlands HSC	7,026,670	(40,000)	6,986,670
Total general fund	$100,423,365	($2,219,156)	$98,204,209

House Bill No. 1012 - Human Service Centers - Other Funds Summary of House Action

	Executive Budget	House Changes	House Version
DHS - Statewide HSC	$1,075,139	($400,000)	$675,139
DHS - Northwest HSC	3,564,800		3,564,800
DHS - North Central HSC	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	(325,000)	15,357,226
DHS - South Central HSC	7,813,290		7,813,290
DHS - West Central HSC	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048		5,319,048
Total other funds	$75,209,479	($725,000)	$74,484,479

House Bill No. 1012 - Human Service Centers - All Funds Summary of House Action

	Executive Budget	House Changes[1]	House Version
DHS - Statewide HSC	$6,069,755	($1,000,000)	$5,069,755
DHS - Northwest HSC	8,958,191	(40,000)	8,918,191
DHS - North Central HSC	21,989,171	(40,000)	21,949,171
DHS - Lake Region HSC	12,736,133	(40,000)	12,696,133
DHS - Northeast HSC	27,882,775	(40,000)	27,842,775
DHS - Southeast HSC	39,030,472	(1,340,000)	37,690,472
DHS - South Central HSC	16,793,883	(40,000)	16,753,883
DHS - West Central HSC	29,826,746	(364,156)	29,462,590
DHS - Badlands HSC	12,345,718	(40,000)	12,305,718
Total all funds	$175,632,844	($2,944,156)	$172,688,688
FTE	856.48	0.00	856.48

[1] **Human Service Centers - House Changes:**

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	13.00	$4,994,616	$1,075,139	$6,069,755
Statewide Human Service Center - House changes:				
Reduces operating for all human service centers		($600,000)	($400,000)	($1,000,000)
Total House changes - Statewide Human Service Center	0.00	($600,000)	($400,000)	($1,000,000)
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	43.75	$5,393,391	$3,564,800	$8,958,191
Northwest Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northwest Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	120.78	$12,803,866	$9,185,305	$21,989,171
North Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - North Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171

		General	Estimated	

LAKE REGION HUMAN SERVICE CENTER	FTE	Fund	Income	Total
Executive budget recommendation	61.00	$7,573,786	$5,162,347	$12,736,133
Lake Region Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Lake Region Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	138.50	$13,744,433	$14,138,342	$27,882,775
Northeast Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Northeast Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	185.15	$23,348,246	$15,682,226	$39,030,472
Southeast Human Service Center - House changes:				
Removes funding for 16-unit transitional living facility		($975,000)	($325,000)	($1,300,000)
Remove funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Southeast Human Service Center	0.00	($1,015,000)	($325,000)	($1,340,000)
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	83.50	$8,980,593	$7,813,290	$16,793,883
South Central Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - South Central Human Service Center	0.00	($40,000)	$0	($40,000)
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	136.10	$16,557,764	$13,268,982	$29,826,746
West Central Human Service Center - House changes:				
Removes funding for four-bed mental illness/chemical dependency crisis facility		($324,156)		($324,156)
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - West Central Human Service Center	0.00	($364,156)	$0	($364,156)
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	74.70	$7,026,670	$5,319,048	$12,345,718
Badlands Human Service Center - House changes:				
Removes funding for the transition to independence program		($40,000)		($40,000)
Total House changes - Badlands Human Service Center	0.00	($40,000)	$0	($40,000)
House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718

This amendment also:

- Adjusts one-time funding.
- Removes Section 3 relating to accepting and spending federal funds from Patient Protection and Affordable Care Act.
- Adds sections relating to:
  - Nursing facility nonallowable costs.
  - Grants to an assisted living center.
  - Grants to a jurisdiction most affected by an Indian reservation.
  - Grants for an adaptive skiing program.
  - Intermediate care facility construction projects.
  - Inflationary increases for personal needs allowances
  - A Legislative Management study of the Developmental Center

3-11-13 8:30 AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Maggie Anderson, Interim Executive Director for the Department of Human Services. I am here today to provide an overview of the Department's 2013–2015 Executive Budget request as well as the amendments included in Engrossed House Bill 1012. I will begin with a review of Engrossed House Bill 1012.

Before I provide a high-level review of the budget, I would like to quickly review the status of the Medicaid Management Information System (MMIS) project.

Medicaid Management Information System (MMIS)

As many of you know, the implementation of the Medicaid Management Information System (MMIS) has been delayed several times. The delays have been the result of the vendor (XEROX) having difficulties with developing and testing the system code. The current scheduled implementation date for the full MMIS is October 1, 2013.

While the Department recognizes that some are concerned about the viability of the system ever coming to fruition, at this time, the Department believes the best course of action is to move forward. Our position is based on the following reasons:

- New Hampshire is scheduled to go live with the **full MMIS** application in April 2013 (New Hampshire will be the first state to implement the XEROX Enterprise MMIS.)

- North Dakota is scheduled to go live with the Provider Enrollment application in April 2013.
- **Medicaid providers have been waiting for this system** for several years. They, like us, have been waiting for the business process improvements that will be realized with a new system. We rely on the Medicaid providers to care for the Medicaid population and we risk losing providers should this effort cease and re-start.
- During the life of the current effort – **the state (DHS and ITD) has lost subject matter and systems experts**; we would certainly lose more with a secondary effort. This would significantly impact the quality of design and functionality of a system secured through a secondary effort.
- Initiating a new project – starting with writing a Request for Proposal - would have resource implications for DHS and ITD and disrupt the ability to concentrate on existing projects and priorities.
- CMS has been kept informed about all past schedule delays and they are updated regularly on the status of the MMIS project.
    - CMS has supported the state moving forward with the current effort and vendor.
    - If we terminate this contract, **CMS will hold the state responsible** for the federal share of expenditures.
    - CMS would not authorize the State to proceed with another replacement project until the federal share is repaid.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	66,765,546	33,178,786	99,944,332	(16,808,311)	83,136,021
Operating	198,638,581	(19,351,576)	179,287,005	(7,542,991)	171,744,014
Capital Assets	138,400	77,760	216,160	(204,160)	12,000
Capital Construction Carryover IT	21,291,536	(21,291,536)	0		0
Capital Construction Carryover SH	62,601	(62,601)	0		0
Grants	486,292,857	(32,518,727)	453,774,130	100,000	453,874,130
HSCs and Institutions	287,138,184	15,034,766	302,172,950	(3,659,156)	298,513,794
Grants - Medical Assistance	1,608,193,844	146,930,836	1,755,124,680	(16,929,603)	1,738,195,077
Total	2,668,521,549	121,997,708	2,790,519,257	(45,044,221)	2,745,475,036
General Funds	942,035,307	234,834,220	1,176,869,527	(31,534,552)	1,145,334,975
Federal Funds	1,612,444,686	(123,626,402)	1,488,818,284	(14,481,455)	1,474,336,829
Other Funds	114,041,556	10,789,890	124,831,446	971,786	125,803,232
Total	2,668,521,549	121,997,708	2,790,519,257	(45,044,221)	2,745,475,036
FTE	2,197.35	(0.27)	2,197.08	(1.0)	2,196.08

Major Budget Changes - Current Budget to Executive Budget General Fund Only - Increase of $234.8 million

$93.3 million – increase in state funds is a result of the decrease in the Federal Medical Assistance Percentage (FMAP). The FMAP is based on the three year average of North Dakota's per capita personal income as compared to the three year average of the national per capita personal income. The FMAP rates used for preparation of the 2013-2015 biennium are as follows:

- FFY 2013 (July 2013 – September 2013) 52.27% Final
- FFY 2014 50.00% Final
- FFY 2015 50.00% Estimated

The areas affected by FMAP are:

Traditional Medical Grants	$30.7
Long Term Care Grants (non-DD)	30.4
Developmental Disability (DD) Grants	24.7
Foster Care and Adoption Grants	1.9
Institutions	3.0
Human Service Centers	2.6
Total	$93.3

$55.8 million – 4% inflationary increase extended to providers each year of the biennium ($40.9 million); and a $0.50 per hour wage pass-through to staff of nursing homes, basic care and developmentally disabled service providers and a $.50 per hour fee increase for qualified service providers ($14.9 million).

$47.4 million – net cost increase in the grant programs of the Department including traditional Medical grants, nursing facilities, developmental disability grants, home and community based services, child welfare grants, and Indian County allocation payments to counties. Changes are the result of several factors such as rate setting rules, federal or state mandates, continuation of the year two 3% inflationary increase, increases in the personal needs allowances, along with costs that cannot be controlled by the Department (drug prices, Medicare premiums and Healthy Steps premiums.)

$30.1 million – increase ($21.6 million) attributed to the Governor's salary and benefit package, the continuation of the seven FTE authorized during the 2011 special Legislative session and the cost to continue this biennium's year two salary increase ($5.2 million) for just under 2,200 employees; and ($3.3 million) for an oil patch add-on for staff of the Williston, Minot, and Dickinson regions due to the increases in housing and cost of living.

$8.0 million – increased information technology costs related to utilization of services from the Information Technology Department, along with anticipated vendor contracts for MMIS maintenance and support ($2.8 million); replacement of the Advanced Institutional Reimbursement Software and Regional Office Automation Project software systems at the State Hospital and Human Service Centers and to implement Electronic Health Records ($5.0 million); and an analysis of migrating the remaining Department systems from the mainframe to a new application or operating environment ($.2 million).

$4.1 million – increase funding in the regions to provide additional bed capacity for the transitional living program, short term crisis stabilization and long term residential program for individuals with mental illness (MI) and/or chemical dependency issues ($2.1 million); provide funding to meet client demand for services such as the partnership program, DD program management, and MI adult case management ($.8 million); and rent increases along with the continuation of the year two 3% inflationary increase for providers and the long term residential facility in Fargo for a full 24 months vs. the 18 months included in the 2011-2013 budget ($1.2 million).

$3.2 million – increase in the Medicare Part D clawback payment as a result of increased per month payments and increased dual eligibles – those eligible for both Medicare and Medicaid.

$2.8 million – to fund extraordinary repairs ($1.5 million); capital improvements at the State Hospital for street reconstruction ($.9 million); and the demolition of two buildings at the Developmental Center ($.4 million).

$2.8 million – increase in funding for home and community-based services to provide home delivered meals 7 days a week to SPED & ExSPED clients under 60 years of age; to add extended personal care services to the SPED program, to allow qualified service providers to administer medications and perform other medical tasks; to allow individuals with a primary diagnosis of dementia or traumatic brain injury (TBI) to receive 24-hour supervision within the daily rate ($.3 million); to provide increased funding for congregate meals ($.8 million); and to provide a mileage differential to qualified service providers for round trips in excess of 20 miles ($1.7 million).

$2.3 million –increase in funding for other capacity issues, enhancements and provider requests included in the Executive Budget to:

- Provide services for 14 additional referrals for the Community Based Sex Offender High Risk Treatment Program ($ .3 million);
- Provide post adoption services to families to maintain placements and permanence ($.1 million);
- Enhance the Peer Support program which is a key component in client recovery efforts ($.3 million);
- Support the current Healthy Families Program service areas ($.3 million);
- Support state-wide 2-1-1 services ($.2 million);
- Support facilitators in each quadrant of the state to act as a resource to patients of traumatic brain injury, in order to increase the chances of full recovery ($.3 million); and
- Support services provided by the Centers of Independent Living ($.8 million)

$1.3 million – increase for continuation of the cost based reimbursement to critical access hospitals for outpatient laboratory and care provided by certified registered nurse anesthetists ($.6 million), and to rebase the rural health clinics to Medicare rates ($.7 million).

$1.2 million – increase in guardianship services to meet the demand for developmental disability corporate guardianships and to expand the aging services guardianships.

($3.8 million) – net decrease in caseload/utilization, with the largest changes consisting of an increase of $11.3 million in the developmental disability grants followed by decreases in traditional medical assistance grants of $11.0 million and nursing facility utilization of $6.2 million.

($16.2) million – decrease in one-time funding for the following: extraordinary repairs, equipment over $5,000 and one time capital projects ($3.3 million); the MMIS project and the Medicaid system modifications needed to process medical claims for inmates of county jails ($2.5 million); the Eligibility Modernization Project ($8.7 million); cost-based reimbursement for critical access hospitals ($1.5 million); and the guardianship and internship programs ($.2 million).

The remaining **$2.5 million** or 1% of the general fund increase is tied to miscellaneous net increases throughout the Department, which will be addressed by each division as they present their overview testimony.

Attachment A is a one page presentation of our $2.8 billion budget.

Attachment B provides a detailed breakdown of the medical assistance grants by major service.

Attachment C is a breakdown of "Where the Money Goes" in the Executive Budget. 63% of the budget is medical assistance grants which is the portion that is similar to insurance coverage; 10% of the budget is for the delivery of healthcare via the institutions and human service centers; and 20% is for direct client services. The remaining 7% is for the Department's administrative costs.

Attachment D is a breakdown of the Long Term Care services in the Executive Budget.

Attachment E is a list of the Department's Optional Adjustment Requests (OARs) submitted to OMB.

Attachment F provides a detailed description of the Department's OARs.

Attachment G is a summary of the House amendments to House Bill 1012. The House changes will also be covered as we go through the testimony for each Division.

Attachment H is a summary of bills that passed one chamber prior to crossover, that have a fiscal impact to the Department, but do not have an appropriation section, and for which there is no appropriation within Engrossed House Bill 1012.

This concludes my overview testimony and I would be happy to address your questions.

Attachme

Department of Human Services * Summary by Divisions with Class Items and Major Funding Sources * 2013 - 2015 Budget

As of: December 7, 2012

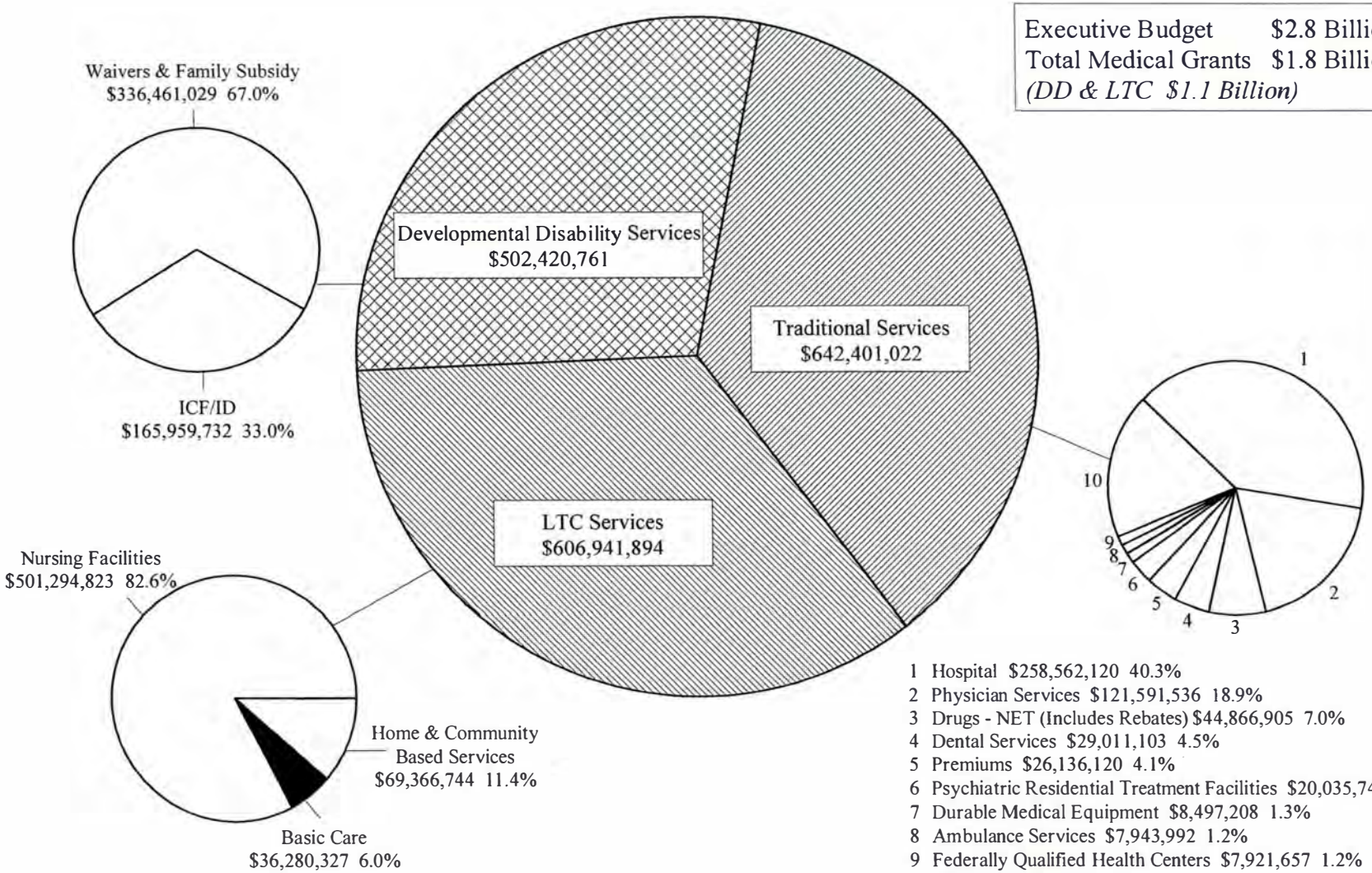
Column Summarized: To the House (CHM1)

Subdivision	FTEs (Full Time Equivalents) 32501	Salaries and Wages 32510	Operating Expenses 32530	Capital Assets 32550	Grants 32560	HSCs and Institutions 32570	Grants-Medical Assistance 32573	Total 32590	General 32591	Federal 32592	Other 32593	Retained 32594	County 32595
100-15 ADMINISTRATION - SUPPORT	66.60	$38,657,863	$6,426,513					$45,084,376	$28,448,672	$16,635,704			
100-20 INFORMATION TECHNOLOGY SRVCS	81.50	$12,444,351	$66,317,312	$216,160				$78,977,823	$34,140,080	$42,222,799	$568,000	$396,241	$1,650,703
100 MANAGEMENT Total	**148.10**	**$51,102,214**	**$72,743,825**	**$216,160**				**$124,062,199**	**$62,588,752**	**$58,858,503**	**$568,000**	**$396,241**	**$1,650,703**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	30.80	$4,843,142	$11,185,059		$290,894,499			$306,922,700	$8,239,253	$277,733,467	$3,722,489	$16,889,985	$337,506
300-02 CHILD SUPPORT ENFORCEMENT	165.20	$21,588,397	$4,426,180					$26,014,577	$7,237,806	$15,692,111	$3,084,660		
300-03 MEDICAL SERVICES	56.50	$8,593,529	$39,099,835				$645,463,150	$693,156,514	$292,166,123	$359,155,407	$18,921,515	$21,261,408	$1,652,061
300-10 LONG TERM CARE							$1,109,661,530	$1,109,661,530	$561,778,121	$544,776,383	$96,000	$2,284,362	$726,664
300-42 DD COUNCIL	1.00	$167,444	$43,063		$700,000			$910,507		$910,507			
300-43 AGING SERVICES	11.00	$1,655,296	$14,993,825		$2,873,446			$19,522,567	$6,687,109	$12,555,458	$280,000		
300-46 CHILDREN AND FAMILY SERVICES	17.00	$2,655,868	$6,704,376		$139,046,013			$148,406,257	$40,289,617	$85,393,250	$5,315,567	$159,650	$17,248,173
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	17.00	$2,655,235	$18,943,515		$1,613,440			$23,212,190	$7,872,760	$14,768,570	$400,000		$170,860
300-51 VOC REHAB	34.00	$5,113,253	$1,967,791		$18,404,405			$25,485,449	$5,462,185	$19,938,264	$85,000		
300-52 DEVELOPMENTAL DISABILITIES DIVISION	10.00	$1,569,954	$9,179,536		$242,327			$10,991,817	$4,902,711	$6,089,106			
300 PROGRAM AND POLICY Total	**342.50**	**$48,842,118**	**$106,543,180**		**$453,774,130**		**$1,755,124,680**	**$2,364,284,108**	**$934,635,685**	**$1,337,012,523**	**$31,905,231**	**$40,595,405**	**$20,135,264**
410-70 STATE-WIDE HSC MANAGEMENT	13.00					$6,069,755		$6,069,755	$4,994,616	$1,075,139			
410-71 NORTHWEST HSC	43.75					$8,958,191		$8,958,191	$5,393,391	$2,966,763	$598,037		
410-72 NORTH CENTRAL HSC	120.78					$21,989,171		$21,989,171	$12,803,866	$8,062,838	$972,467		$150,000
410-73 LAKE REGION HSC	61.00					$12,736,133		$12,736,133	$7,573,786	$4,581,692	$580,655		
410-74 NORTHEAST HSC	138.50					$27,882,775		$27,882,775	$13,744,433	$12,183,785	$1,954,557		
410-75 SOUTHEAST HSC	185.15					$39,030,472		$39,030,472	$23,348,246	$14,459,843	$1,222,383		
410-76 SOUTH CENTRAL HSC	83.50					$16,793,883		$16,793,883	$8,980,593	$6,713,721	$1,099,569		
410-77 WEST CENTRAL HSC	136.10					$29,826,746		$29,826,746	$16,557,764	$11,727,264	$1,541,718		
410-78 BADLANDS HSC	74.70					$12,345,718		$12,345,718	$7,026,670	$4,332,504	$986,544		
410 HUMAN SERVICE CENTERS Total	**856.48**					**$175,632,844**		**$175,632,844**	**$100,423,365**	**$66,103,549**	**$8,955,930**		**$150,000**
420-00 STATE HOSPITAL	369.77					$62,362,960		$62,362,960	$43,108,797	$1,779,491	$17,474,672		
421-00 SH SECURED SERVICES	87.68					$11,126,676		$11,126,676	$11,126,676				
430-00 DEVELOPMENTAL CENTER	392.55					$53,050,470		$53,050,470	$24,986,252	$25,064,218	$3,000,000		
4xx INSTITUTIONS Total	**850.00**					**$126,540,106**		**$126,540,106**	**$79,221,725**	**$26,843,709**	**$20,474,672**		
Grand Total	**2,197.08**	**$99,944,332**	**$179,287,005**	**$216,160**	**$453,774,130**	**$302,172,950**	**$1,755,124,680**	**$2,790,519,257**	**$1,176,869,527**	**$1,488,818,284**	**$61,903,833**	**$40,991,646**	**$21,935,967**

Department of Human Services
Executive Budget Request
Medical Assistance Grants

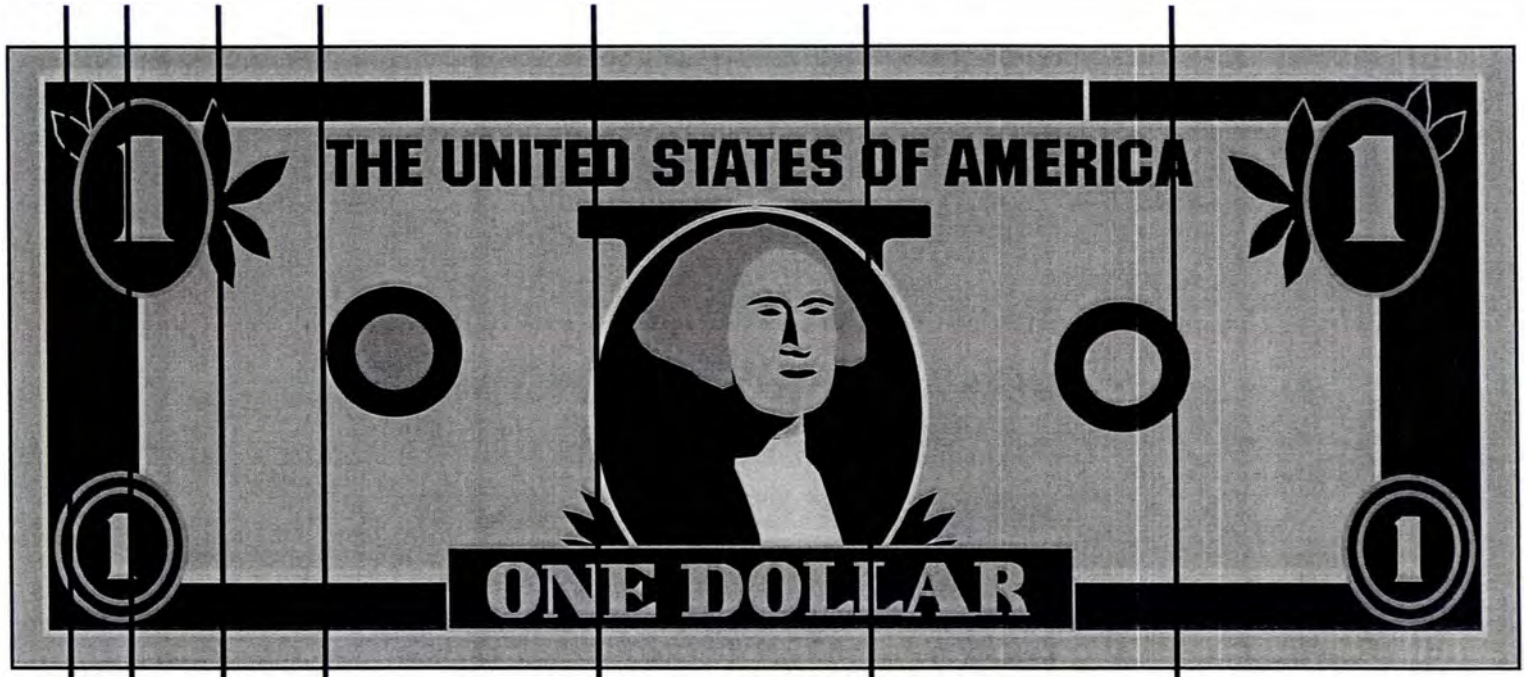
Attachment B

Executive Budget $2.8 Billion
Total Medical Grants $1.8 Billion
(DD & LTC $1.1 Billion)



1 Hospital $258,562,120 40.3%
2 Physician Services $121,591,536 18.9%
3 Drugs - NET (Includes Rebates) $44,866,905 7.0%
4 Dental Services $29,011,103 4.5%
5 Premiums $26,136,120 4.1%
6 Psychiatric Residential Treatment Facilities $20,035,748 3.1%
7 Durable Medical Equipment $8,497,208 1.3%
8 Ambulance Services $7,943,992 1.2%
9 Federally Qualified Health Centers $7,921,657 1.2%
10 Other $117,834,633 18.4%

Department of Human Services
2013 - 2015 Budget to House
Where Does the Money Go?
Department-Wide
Total Funds $2,790,519,257



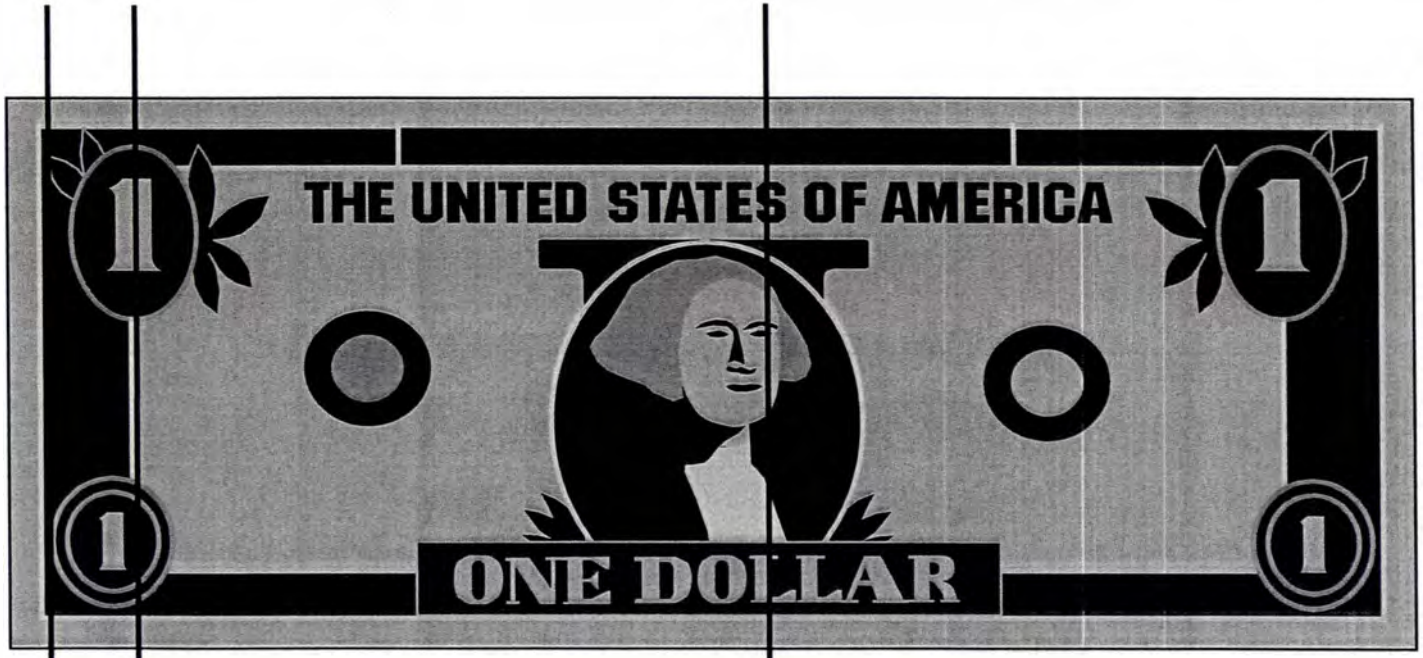
.04 HCBS & Basic Care	.04 Insti-tu-tions	.06 Human Service Centers	.07 Admin-istration	.18 Developmental Disabilities Grants	.18 Nursing Homes	.20 Direct Client Services *	.23 Traditional Medical Grants & Healthy Steps

* Includes TANF, JOBS, Child Care, SNAP, Heating Assistance, IV-D Judicial, Regional Child Support Units, Child Welfare, Aging, Mental Health, Substance Abuse, Vocational Rehabilitation, and Non-Medicaid Developmental Disability grants and services.

FA-12/11/12-cj\1315legis\house $

Attachment C

Department of Human Services
2013 - 2015 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Including DD Grants)
Total Funds $1,109,362,655



.03
Basic Care

.06 Home & Community
Based Services

.45
Nursing Homes

.46
Developmental Disabilities Grants

Attachment D

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Attachme

Department of Human Services OARs for the 2013-2015 Biennium

as of December 5, 2012

Row #	Cabinet Priority	Cabinet Category	Description (In Order by Reporting Level)	FTE	General	Federal	Other	Total
1	01	Optional 3% Savings Plan	Optional 3% Savings Plan		(32,279,508)	(32,086,444)	(98,913)	(64,464,865)
2	02	Affordable Care Act	Previously Eligible "Woodwork Effect"		4,536,578	4,536,618		9,073,196
3	03	Compensation Study	Staff Retention - 90% of Market		9,058,260	3,990,228		13,048,488
4	04	Oil Patch Add-On for Staff	Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions		3,253,008	514,992		3,768,000
5	05	Street Reconstruction	Street Reconstruction - State Hospital		864,714	-	-	864,714
6	06	Capacity	Children's ICF/ID		1,438,782	1,299,692		2,738,474
7	06	Capacity	Community Based Sex Offender High Risk Treatment		313,883			313,883
8	06	Capacity	Extended Services		201,600			201,600
9	06	Capacity	Employment Benefits Planning		540,000			540,000
10	06	Capacity	Developmental Disability Corporate Guardianship		179,379			179,379
11	06	Capacity	8 Unit Transitional Living Program - LRHSC		401,414	270,326	58,000	729,740
12	06	Capacity	Temporary Staff Due to Client Service Demand - SEHSC		399,753	5,144		404,897
13	06	Capacity	16 Unit Transitional Living Facility - SEHSC		975,000	325,000		1,300,000
14	06	Capacity	Developmental Disability Case Management - SEHSC	2.00	137,341	103,611		240,952
15	06	Capacity	Partnership and Mental Illness Case Management - SEHSC	4.00	222,649			222,649
16	06	Capacity	Mental Illness/Chemical Dependency Transitional Employment - SCHSC		308,000			308,000
17	06	Capacity	15 Bed Long Term Housing for SMI/CD - SCHSC		312,000			312,000
18	06	Capacity	4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		324,156			324,156
19	06	Capacity	10 Bed Mental Illness Long Term Residential - WCHSC		407,941	361,759		769,700
20	06	Capacity	Medical Detoxification - BLHSC		30,000	-	-	30,000
			Total Capacity Category	6.00	6,191,898	2,365,532	58,000	8,615,430
21	07	Inflation - 4% / 4%	Medicaid Provider Inflation		11,290,119	11,887,805	94,850	23,272,774
22	07	Inflation - 4% / 4%	LTC Provider Inflation		25,065,167	24,198,739	35,195	49,299,101
23	07	Inflation - 4% / 4%	Program & Policy Other Inflation		513,248			513,248
24	07	Inflation - 4% / 4%	Child Welfare Provider Inflation		2,385,376	3,110,836	999,293	6,495,505
25	07	Inflation - 4% / 4%	HSC Inflation		1,616,296	88,160	1,336	1,705,792
			Total Inflation Category		40,870,206	39,285,540	1,130,674	81,286,420
26	08	Information Technology Projects	Field Services Electronic Health Records System Replacement (SITAC #3)		5,000,000			5,000,000
27	08	Information Technology Projects	Mainframe Migration (SITAC #6)		148,907	93,093	568,000	810,000
			Total Information Technology Projects Category		5,148,907	93,093	568,000	5,810,000
28	09	Enhancement of Services	Expand Home Delivered Meals to SPED & ExSPED		66,587		2,374	68,961
29	09	Enhancement of Services	Extend Personal Care Services for SPED		128,982		6,792	135,774
30	09	Enhancement of Services	Personal Care with Supervision		70,556	70,556		141,112
31	09	Enhancement of Services	QSP Oversight Pilot Project		78,884	21,500	2,702	103,086
32	09	Enhancement of Services	Post Adoption Services		133,520	71,896		205,416
33	09	Enhancement of Services	Peer Support		300,000			300,000
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse		296,684	-	-	296,684
			Total Enhancement Category		1,075,213	163,952	11,868	1,251,033
35	10	Building Demolition	Demolish Refectory Building - Developmental Center		240,000			240,000
36	10	Building Demolition	Demolish Pleasant View Building - Developmental Center		120,000			120,000
			Total Building Demolition		360,000	-	-	360,000
			Total OARS		39,079,276	18,863,511	1,669,629	59,612,416

Footnotes:

OAR fully funded in the Executive Budget

OAR partially funded in the Executive Budget

OAR fully funded in the Executive Budget, however Department is to find FTEs within those currently authorized.

T:\Bdgt 2013-15\Reports\2013-2015 OARs by Cabinet Category Attachment E.xlsx - Gov Budget

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
1	01	Optional 3% Savings Plan	Optional 3% Savings	This is the 3% optional savings per budget instructions. This adjustment includes a 4.65% rate reduction for Medical Services and Long-Term Care providers.
2	02	Affordable Care Act	Previously Eligible "Woodwork Effect"	This is the group of individuals that are eligible for Medicaid today, but for various reasons, they have not come forward for coverage. There is widespread agreement that many in this group will apply for coverage in SFY 2014; regardless of whether the state chooses to opt into the Medicaid expansion that is part of the Affordable Care Act. The Department is estimating the "woodwork effect" will result in 1,300 additional individuals being eligible for Medicaid.
3	03	Compensation Study	Staff Retention - 90% of Market	The Hay Study allowed many employees to be increased to the minimum of their pay grade; however, there was no mechanism in place to address long-term staff salaries. As a result, the Department has an inordinate number of employees with many years of service, who are being paid at the same rate as a new employee. DHS has developed a salary model that addresses these inequities and will help the Department retain quality staff. This OAR will allow the Department to bring all staff to 90% of the market, as well as address the compression issues that exist.
4	04	Oil Patch Add-On for Staff	Oil Patch Add-On for Staff of the Williston, Minot and Dickinson Regions	The oil industry in North Dakota has affected recruitment and retention of staff in the Department of Human Services. In order to retain existing staff, the Department implemented an oil-patch add-on for Williston (Region I) staff of $500 each month beginning in April 2012. The Minot (Region II) and Dickinson (Region VIII) areas are beginning to see increased turnover as well. The cost of living in these regions has increased, and in order to keep the existing staff, there is a need to implement the oil-patch add-on in these areas as well. This OAR requests funds to continue the oil-patch add-on for DHS staff in Williston and to implement the oil-patch add-on for DHS staff in Minot and Dickinson.
5	05	Street Reconstruction	Street Reconstruction - State Hospital	A large section of the street on the State Hospital campus is in need of major work. The street in question stretches from Circle Drive, past New Horizons, GM and Tompkins buildings to the Transitional Living houses. The work will include removing the cracked and deteriorating pavement, subgrade preparation and installation of new pavement. There are large sections of curb and gutter that also need to be replaced. Estimated cost is $864,714.
6	06	Capacity	Children's ICF/ID	Enhancement to provide 2 children's homes serving behaviorally challenging individuals. Each home would consist of 4 beds, and would provide services under the Intermediate Care Facilities for the Intellectually Disabled - Children.
7	06	Capacity	Community Based Sex Offender High Risk Treatment	DOCR anticipates increased referrals to this high risk sex offender treatment. Current budget is 70 referrals from DOCR and 6 from North Dakota State Hospital (NDSH) for the 11-13 biennium. Requested referral numbers reflect a 14 slot increase for a total of 84 referrals for the 2013-2015 Budget. Increased costs for the provider Rule CPC for group therapy, individual therapy, polygraphs, penile plethysmorgraphs, ABEL screenings, family sessions, and training conferences, case management rates, and intake rates. Based on the increased referrals and the average cost per slot of $22,420 the budget would be $1,776,864 per biennium, which is $313,883 more than the 2011-2013 budget.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
8	06	Capacity	Extended Services	The Extended Services program provides on-going support to assist people to maintain the integrated, competitive, community-based employment achieved under Supported Employment. The division calculates it will require an additional $18,800 to maintain the current number of individuals in the program. Additionally, the division currently has 24 individuals in the Supported Employment training and stabilization phase. In total, the division projects an additional $201,600 for the program in the 2013-2015 biennium.
9	06	Capacity	Employment Benefits Planning	To support a statewide system of benefit planning services available to all clients of the Department of Human Services. Benefits planning is an effective method to encourage employment and self-sufficiency among clients with significant disabilities. This service was previously provided by other entities however, Federal funding from the Social Security Administration and the Medical Infrastructure Grant is no longer available.
10	06	Capacity	Developmental Disability Corporate Guardianship	Increased demand for corporate guardianships resulted in a wait list. Due to the wait list an increase in capacity from 414 to 444, plus additional petitioning costs of $32,430 is being requested.
11	06	Capacity	8 Unit Transitional Living Program - LRHSC	$729,740 for contract dollars to establish a 8 unit transitional living program in the Devils Lake Region.
12	06	Capacity	Temporary Staff Due to Client Service Demand - SEHSC	40 hours per week temp in the partnership program due to demand to maintain client to staff ratio ($91,437). 20 hours per week temp nurse hours per week due to demand for nursing/med services ($63,017). 25 hours per week temp support staff due to demands in service records and client registration ($37,666). 40 hours per week temp MI case manager due to demand for services ($91,437) 40 hours per week in counseling. 20 hours per week in case aide services for non smi and/or cd clients. 20 hours per week of psych testing and therapy services $121,346).
13	06	Capacity	16 Unit Transitional Living Facility - SEHSC	$1,300,000 for contract dollars to establish a 16 unit transitional living facility (TLF) in the SE Region to support individuals with SMI & chronic addiction who need an intensive level of care which provides 24/7 support for a 12-18 month period of time in the development of skills which allow for them to transition to less restrictive level of care and recovery.
14	06	Capacity	Developmental Disability Case Management - SEHSC	2 regular FTE's to meet licensure requirements for DD 1 to 60 caseload ratio. Analysis of growth of DD consumers in the region would indicate that at least two additional positions would be needed during the next biennium.
15	06	Capacity	Partnership and Mental Illness Case Management - SEHSC	Additional funding to convert existing temporary position who provides services to 15-20 transitional youth to a regular FTE position. $26,293. 1 regular FTE for the partnership program. Cost of 1 FTE $120,475. Additional funding to convert 2 existing temporary positions who provide MI Adult Case Management to regular FTE positions. $75,881.
16	06	Capacity	Mental Illness/Chemical Dependency Transitional Employment - SCHSC	MI/CD Transitional Employment: Contract for transitional employment for 10-15 individuals per month to utilize employment as tool in recovery and stabilization. This program would continue the transitional employment into the community that starts at the NDSH as part of the treatment and stabilization process as well as to provide that level of care to individuals needing that service within the region. This is a short term placement where consumers with exacerbated MH or SA symptoms are stabilized while developing work skills and daily structure with eventual goal for job placement in community or transfer to Vocational Rehabilitation for continued job development skills.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
17	06	Capacity	15 Bed Long Term Housing for SMI/CD - SCHSC	$312,000 to partner with Other Community Providers to develop a 15 Unit Long Term Supported Housing Model for Homeless Individuals with SMI or Chronic Substance Abuse Diagnoses in Region VI. These would be contract dollars to provide partial funding for 24/7 staffing of the facility to assist individuals in completion of daily living skills, transportation to needed services, structuring activities to promote continued recovery, providing safe environment for all residents, etc.
18	06	Capacity	Mental Illness/Chemical Dependency Crisis Residential - WCHSC	As a result of increased need for MI/CD short-term crisis residential, four additional beds are being requested. This would increase our capacity from 10 beds to 14 beds. Our average occupancy rate over the past year has been 86% with the most recent months averaging over 90%. We have an average of two to four clients on the waiting list at any given time.
19	06	Capacity	Mental Illness Long Term Residential - WCHSC	West Central's current, 8 bed, MI long term residential facility has been at 100% occupancy for many years. There is typically a waiting list of 7 clients. Some clients have been on a wait list for multiple years and have had prolonged stays at our Transitional Living facility as there have been no other placement options. Our plans would be to contract for an additional facility with 10 beds.
20	06	Capacity	Medical Detoxification - BLHSC	Expansion of the contract with St. Joseph's Hospital for Medical Detox services for individuals requiring acute medical treatment for severe withdrawal symptoms from alcohol or drug abuse. Reimbursement is on a per admission basis. This OAR would add an additional $30,000 to the budget request based on projected expenditures in the 2011-2013 biennium.
21	07	Inflation - 4% / 4%	Medicaid Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
22	07	Inflation - 4% / 4%	LTC Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
23	07	Inflation - 4% / 4%	Program & Policy Other Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
24	07	Inflation - 4% / 4%	Child Welfare Provider Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
25	07	Inflation - 4% / 4%	HSC Inflation	Provides an inflationary increase of 4% to service providers for both of the years of the biennium.
26	08	Information Technology Projects	Field Services Electronic Health Records System Replacement (SITAC #3)	The One Center- State Hospital is currently using AIMS software for electronic patient care system and the HSCs are using MIS/eCET, known as ROAP, for the electronic health information system. Both systems are outdated and the vendor for the HSC system is only committing to support the system for the next 5 years and the AIMS system is minimally supported by the vendor. As a result the problems faced in the AIMS system to incorporate federal requirements may put the Hospital's Joint Commission accreditation at risk. We would like to replace the two outdated system with a modern comprehensive behavioral health focused and meaningful use compliant electronic health record information system. This new system would have an integrated case management system that encompasses the continuum of services, reduce redundant data collection, be useful and efficient tool for front line staff, streamline workflow, meet all stages of meaningful use, eliminate duplication, meet management and reporting needs of supervisors and administrators, and include appropriate security and foundational structure to accommodate the respective requirements of the agency divisions. This project was ranked #3 by the State Information Technology Advisory Committee (SITAC).

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
27	08	Information Technology Projects	Mainframe Migration (SITAC #6)	Analyze the feasibility of removing the remaining DHS systems that run on the mainframe to a new application and/or a new operating environment. This includes five applications: 1) the Fully Automated Child Support Enforcement System (FACSES); 2) the Comprehensive Child Welfare Information Payment System (CCWIPS); 3) the Children & Family Services system's database; 4) Fiscal Administration's contract management system; and 5) Human Resource's Personnel Management Information System (PMIS). This project was ranked #6 by the State Information Technology Advisory Committee (SITAC).
28	09	Enhancement of Services	Expand Home Delivered Meals to SPED & ExSPED	Currently no meals are offered in SPED and ExSPED. The Home and Community Based Services waiver currently offers seven hot or frozen meals per week. Adding home delivered meals to SPED and ExSPED program seven days a week would allow individuals under 60 that are impaired in Meal Preparation to receive a nutritious meal each day to assure they are receiving adequate nutrition. The dollars associated with this service are for 18 months. The change would have a January 2014 effective date.
29	09	Enhancement of Services	Extend Personal Care Service for SPED	Adding extended personal care services (EPCS) to the SPED program to allow for a nurse educator to train an extended personal care provider to administer medications and do other medical tasks as allowed through the delegation by a nurse through the North Dakota Board of Nursing Policies. This will allow more individuals to be served in their home when their needs exceed the competencies allowed by the traditional Qualified Service Provider (QSP) program. The dollars associated with this service are for 18 months. The change would have a January 2014 effective date. This service is currently available in the Home and Community Based Services Waiver.
30	09	Enhancement of Services	Personal Care with Supervision	Adding the service of Personal Care with Supervision to the HCBS Waiver will allow individuals with a Primary diagnosis of Dementia or Traumatic Brain Injury (TBI) to receive 24 hour supervision within a daily rate. The setting for this service can be an individual home or apartment. All tasks, including personal care are included within the daily rate. This would allow individuals the choice of living in the least restrictive environment while continuing to have their needs met. The dollars associated with this service are for 12 months. The change would have a July 2014 effective date.
31	09	Enhancement of Services	QSP Oversight Pilot Project	The HCBS Qualified Service Provider (QSP) Oversight pilot would allow additional support and monitoring for the individual QSPs who enroll through the Department of Human Services. Through the current auditing and complaint log, it is apparent that QSPs could benefit by having a trained professional visit with them in the client's home as they are providing care. This would be an opportunity to determine if the care being given is appropriate and meets the Health, Welfare, and Safety expectations of CMS and the Department of Human Services. This pilot project will be in Region 3 due to the highest number of QSPs located in that region that are currently billing for services. (Region 3 includes Devils Lake, Belcourt, Cando, Dunseith, Fort Totten, Langdon and Rolla.) The dollars associated with this pilot are for 12 months. The change would have a July 2014 effective date.
32	09	Enhancement of Services	Post Adoption Services	Enhancement to provide services to adoptive families to maintain adoptive placements and permanence; thus avoiding adoption disruptions and subsequent re-placement of children in foster care.
33	09	Enhancement of Services	Peer Support	This program is a key part of the recovery effort and an integral part of the tiered case-management in play. In order for this program to be effective and fulfill the plan, there is a need for more resources for this program. This OAR doubles the current funding in each region. Currently small centers received 25,000 and large centers received 50,000.

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse	Robinson is a forty bed (thirty male and ten female) long-term residential treatment facility for the treatment of those addicted to meth or other controlled substances. Nearly 60% of patients are taking a prescribed psychotropic medication. 60-70% of the residents also have a mental illness. Due to changes in clientele, a psychiatric nurse and family therapy are needed in addition to funding for medications. The request is for $148,342 per year.
35	10	Building Demolition	Demolish Refectory Building - Developmental Center	The Refectory Building should be taken down before it collapses.
36	10	Building Demolition	Demolish Pleasant View Building - Developmental Center	The Pleasant View building is one of the older buildings on campus. It would need major repairs to be usable and therefore it is more appropriate to demolish the building.

Attachment G

Department of Human Services
House Amendments
HB 1012

Description	FTE	General Fund	Federal Funds	Other Funds	Total
Administration - Support:					
Corrects executive compensation package		223,028	100,201		323,229
Reduce state employee compensation and benefits package		(8,990,339)	(4,062,638)		(13,052,977)
Remove OAR #4 - Oil Patch Add-On for Staff of Williston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)
Remove Deputy Director	(1.0)	(248,357)	(62,206)	-	(310,563)
Reduce Central Office Operating Budget		(750,000)	-	-	(750,000)
Total Administration - Support	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)
Information Technology Services:					
Remove OAR #26 - Electronic Health Records System Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)
Medial Services:					
Remove Professional Medical Expert Reviews		(42,000)	(42,000)	-	(84,000)
Remove Program Integrity Services		(158,000)	(158,000)	-	(316,000)
Remove Provider Screening Contract		(120,000)	(120,000)	-	(240,000)
Remove Qualified Service Provider Mileage Differential Oversight		(78,040)	(21,960)	-	(100,000)
Increase Medicare Clawback Payment		248,265	-	-	248,265
Remove Section 3 - Medicaid Expansion					
Reduce OAR #2 - Affordable Care Act - Previously Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)
Reduce Medical Services Grants		(909,500)	(1,299,500)	-	(2,209,000)
Total Medical Services		(3,327,564)	(3,909,769)	-	(7,237,333)
Long Term Care:					
Reduce Long Term Care Grants		(4,145,000)	(4,000,000)	-	(8,145,000)
Remove Personal Needs Allowance increase for Basic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)
Add Section 9 - CPI on Personal Needs Allowances Effective January 1, 2016					
Funding Switch for Nursing Home Bed Layaway (General Fund to Health Care Trust Fund)		(546,786)	-	546,786	-
Add Section 10 - Buy down Assisted Living Facility loans (Health Care Trust Fund)		-	-	425,000	425,000
Reduce Developmental Disability Grants		(1,150,000)	(1,150,000)	-	(2,300,000)
Add Section 12 - Provide a grant for Adaptive Skiing Program (Annie's House)		200,000	-	-	200,000
Add Section 8 - Review ICF/ID construction and remodeling projects					
Total Long Term Care		(5,920,636)	(5,235,155)	971,786	(10,184,005)
ng Services:					
move Guardianship funding		(1,000,000)	-	-	(1,000,000)
Children and Family Services:					
Remove OAR #32 - Post Adoption Services		(133,520)	(71,896)	-	(205,416)
Add Section 11 - Funding for Ramsey County		150,000	-	-	150,000
Total Children and Family Services		16,480	(71,896)	-	(55,416)
Mental Health and Substance Abuse:					
Remove OAR #33 - Peer Support		(300,000)	-	-	(300,000)
Reduce funding for Governor's Prevention Advisory Council Grants		(100,000)	-	-	(100,000)
Total Mental Health and Substance Abuse		(400,000)	-	-	(400,000)
Vocational Rehabilitation:					
Add funding for Older Blind program		50,000	-	-	50,000
Field Services					
Human Service Centers (HSC):					
Reduce HSCs Operating Budget		(600,000)	(400,000)	-	(1,000,000)
Remove Transition to Independence Program (TIP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)
Remove OAR #13 - 16 Unit Transitional Living Facility - SEHSC		(975,000)	(325,000)	-	(1,300,000)
Remove OAR #18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)
Total Human Service Centers		(2,219,156)	(725,000)	-	(2,944,156)
Institutions:					
Reduce State Hospital Operating Budget		(350,000)	-	-	(350,000)
Remove State Hospital Repair for water temperature controls for LaHaug Building		(75,000)	-	-	(75,000)
Reduce Developmental Center Operating Budget		(150,000)	-	-	(150,000)
Add Section 14 - Reduce OARs #35 & 36 for the demolition of 2 buildings		(140,000)	-	-	(140,000)
Add Section 13 - Legislative Study of the Developmental Center					
Total Institutions		(715,000)	-	-	(715,000)
Total House Amendments	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)

Department of Human Services
Bills with a Fiscal Effect and No Appropriation
2013-2015 Biennium

Bill Number	Description of Bill	Appropriation		Expenditures as Included in Fiscal Notes		
		General	Other	General	Other	Total
1170	Provides nursing and basic care facilities with an expedited ratesetting process to cover costs associated with Patient Protection and ACA as it relates to health insurance policies to the facilities' employees	-	-	830,922	830,922	1,661,844
1172	Allows nursing homes or basic care service providers the first preferred claim against a decedent's estate for outstanding recipient liability owed to the facility	-	-	49,810	50,190	100,000
1176	Allows individuals convicted of a drug felony to be eligible to participate in SNAP and TANF programs if at least seven years has elapsed since their most recent conviction.	-	-	11,136	489,168	500,304
1209	Restricts DHS from limiting compensation for top management personnel of a basic care facility with some exceptions.	-	-	435,481	-	435,481
1233	Provides for additional state financial support for county social service programs provided at the direction of the state	-	-	20,542,038	(19,947,758)	594,280
1274	Requires ND Medicaid to accept electronic prior authorizations submitted by prescribers through their e-prescribing software	-	-	74,831	224,493	299,324
1360	Provides for Medicaid supplemental payments to programs for all-inclusive care for the elderly	-	-	2,284,314	2,289,037	4,573,351
1362 *	Provides an appropriation to DHS any amount of federal funds relating to implementing the provisions for the expansion of the medical assistance program for the Patient Protection and ACA	-	-	273,172	101,781,672	102,054,844
2190	Allows a pharmacy to substitute biosimilars for a prescribed product only if specific requirements are met and gives individuals the right to refuse the biosimilar chosen by the pharmacist. Biosimilars are less costly; therefore, adding requirements to dispense biosimilars increases Medicaid cost. The Department believes the additional requirements discourage use of biosimilars.	-	-	208,614	210,206	418,820
2254	Increases the preneed funeral set aside for Medicaid-eligible clients	-	-	162,879	164,121	327,000
2271	Provides for DHS to provide administrative services to the Committee of Employment of People with Disabilities.	-	-	27,954	12,000	39,954
2303	Requires DHS to expand Medicaid coverage for pregnant women who do not have private insurance	-	-	9,705,419	5,386,643	15,092,062
2323	Requires mandatory reporting of abuse or neglect of a vulnerable adult	-	-	1,611,771	-	1,611,771
	Totals	**-**	**-**	**36,218,341**	**91,490,694**	**127,709,035**

* The fiscal impact shown for House Bill 1362 is based on the last fiscal note on the Legislative Council's web site. A new fiscal note will be completed as soon as the Department receives clarification from the Centers for Medicare and Medicaid Services related to the amendments passed by the House.

Attachment H

#2
3-11-13
8:30AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Debra McDermott, Chief Financial Officer of the Department of Human Services (Department). I am here today to provide you an overview of the Administration/Support area of the Department.

Programs

This area of the budget includes the Executive Office, Legal Advisory Unit, Human Resources, and Fiscal Administration. Each of these areas provide 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 costs for the Central Office divisions for items such as motor pool expenses, postage for routine mailings such as federally required client notices, along with the telephone services provided by the Information Technology Department.

Major Program Changes

There have not been any program changes in this area.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	9,405,518	29,252,345	38,657,863	(16,808,311)	21,849,552
Operating	5,491,514	934,999	6,426,513	(750,000)	5,676,513
Total	14,897,032	30,187,344	45,084,376	(17,558,311)	27,526,065
General Funds	7,804,302	20,644,370	28,448,672	(13,018,676)	15,429,996
Federal Funds	7,092,730	9,542,974	16,635,704	(4,539,635)	12,096,069
Other Funds					
Total	14,897,032	30,187,344	45,084,376	(17,558,311)	27,526,065
FTE	65.6	1.0	66.6	(1.0)	65.6

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $29,252,345 and can be attributed to the following:

- $24,358,884 in total funds, of which $16,807,628 is general fund needed to fund the Governor's salary package for the 2,197 department employees, located in the Central Office, Human Service Centers, and Institutions. The Governor's salary package follows the compensation philosophy adopted in HB 1031 by the last Legislative assembly.
- $229,977 in total funds, of which $138,956 is general fund needed to fund the Governor's benefit package for health insurance and retirement for the 66.6 employees in the Administration/Support area.
- $3,768,000 in total funds, of which $3,253,008 is general fund needed to fund the oil patch add-on for staff of the Williston, Minot, and Dickinson regions.
- $224,748 in total funds, of which $168,675 is general fund needed to fund the employee increases in the Administration/Support area approved by the last Legislative assembly.

- An increase of $30,948 to cover an underfunding of salaries from the 2011-2013 budget.
- $165,862 in total funds, of which $81,571 is general fund needed for an attorney in the Legal Advisory Unit to assist with the additional workload resulting from the Affordable Care Act, and the continuing changes in other federal program requirements. The FTE was transferred from another area within the Department. This budget is not requesting the authorization of an additional FTE.
- $305,785 in total funds, of which $244,536 is general fund needed to fund a Deputy Director position. The previous Executive Director chose to leave this position vacant for the past few bienniums. This budget is not requesting the authorization of an additional FTE.
- The remaining $168,141 is a combination of increases and decreases needed to sustain the salary of the 66.60 FTEs in this area of the budget.

The Operating line item increased by $934,999 (17.03%) and is a combination of the increases and decreases expected next biennium. Outlined below are the significant areas of change:

- $330,257 increase in the Postage budget to continue the current routine mailings and to provide for a 3.5% postal rate increase anticipated in January of each year.
- $291,378 increase in Professional Fees. $165,558 is a result of a decrease in the utilization of services provided by the Attorney General's Office offset by the rate increase of 39% - from $77.23 per hour to $107.35 per hour. $64,791 is a result of the decrease in the utilization of services by the Office of Administrative Hearings offset by the hourly rate increase of 20% - from $125 per hour to

$150 per hour. The majority of the remaining increase is attributed to the expected increase in the audit fees of $51,049.

- The increase of $186,110 in Operating Fees and Services is mainly due to an increase in statewide indirect costs billed by the Office of Management and Budget (OMB).
- $145,716 is attributable to the increase in the Travel category of the budget. $55,026 is related to an increase in the state fleet usage and an additional $95,137 is related to an increase in the mileage rate established by the Department of Transportation from $0.37 per mile to $0.47 per mile. These increases are offset by a decrease in the number of planned overnight stays.
- $29,270 increase in Building Leases. $28,874 is attributable to rate changes established by OMB – office space from $10.21 to $11.29 (10.6%) per square foot and storage space from $1.42 to $1.39 (-2.1%) per square foot. The payment to OMB is federal and other funds and contains no general funds.
- A $76,233 decrease in Insurance with the majority being a decrease by OMB for the Department's Central Office and Human Service Center risk management premium, offset by a 5% annual increase in the property insurance premium.

The general fund request increased by $20,644,370 with $20,060,636 or 97% of the increase related to the Governor's salary package for all Department employees and for the oil-patch add-on for Department employees in the Williston, Minot and Dickinson regions. The remaining $329,387 is related to salary changes for the Administration/Support area as indicated above and $254,347 is associated with 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.

House Changes:

- The Employee Compensation and Benefit package was decreased by $12,729,748 with $8,767,311 being general fund.
- The Deputy Director position was removed from the budget. This included the FTE as well as funding of $310,563, of which $248,357 is general fund.
- The oil-patch add-on of $3,768,000 in total funds, of which $3,253,008 is general fund for staff of the Williston, Minot, and Dickinson regions was removed.
- As noted in Attachment G of the Department's overview testimony, a $750,000 general fund reduction was made in operating expenditures for all central office divisions. This equates to a total operating reduction of approximately $1,700,000, as general fund monies will not be available to match federal funds. The Department has fixed costs for items such as; legal fees, rent, ITS data processing and contractual services, Medicare clawback, and Risk Management and property insurance. These fixed costs are 57% of the operating budget. Another 40% is related to **program services** such as; JOBS, guardianship, sex offender treatment, special needs adoption, aging meal programs, and Children Health Insurance Program outreach. Therefore the $1.7 million reduction would need to be made to the remaining $5.1 million (or 3%) of the Department's operating budget, unless the **program services** noted above are reduced.

This concludes my testimony on the 2013–2015 budget request for Administration/Support area of the Department. I would be happy to answer any questions.

#3
3-11-13
8:30AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations, I am Jenny Witham, Chief Information Officer for the Department of Human Services (Department). I am here today to provide you an overview of the Department's Information Technology Services Division.

Programs

The Department's Information Technology Services Division (ITS) is responsible for information technology strategic planning and budgeting, business analysis, project management, procurement, software development and maintenance, technology standards and policy enforcement, decision support, claims processing, electronic health record incentive payment determination, desktop support, electronic document management support, and data entry services.

Customer Base

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 the county social service boards across North Dakota.

Major Program Changes

ITS is in the process of replacing several major information systems in the Medical Services and Economic Assistance program areas. The Medicaid Systems Project, which includes the Medicaid Management

Information System, the Pharmacy Point of Sale, and Decision Support systems, is scheduled to be completed in the upcoming 2013–2015 biennium. The Eligibility System Modernization Project is scheduled to be fully implemented in the 2015–2017 biennium; however, the first phase will be completed by October 1, 2013, in order to meet Affordable Care Act requirements.

Overview of Budget Changes

Description	2011-2013 Budget	Increase/ (Decrease)	2013-2015 Budget	House Changes	To Senate
Salary and Wages	11,445,259	999,092	12,444,351	-	12,444,351
Operating	99,895,466	(33,578,154)	66,317,312	(4,795,840)	61,521,472
IT Equipment over $5,000	138,400	77,760	216,160	(204,160)	12,000
Capital Construction Carryover	21,291,536	(21,291,536)	-	-	-
Total	132,770,661	(53,792,838)	78,977,823	(5,000,000)	73,977,823
					-
General Funds	36,860,443	(2,720,363)	34,140,080	(5,000,000)	29,140,080
Federal Funds	93,913,538	(51,690,739)	42,222,799	-	42,222,799
Other Funds	1,996,680	618,264	2,614,944	-	2,614,944
Total	132,770,661	(53,792,838)	78,977,823	(5,000,000)	73,977,823
					-
FTE	81.50	-	81.50	-	81.50

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $999,092 and can be attributed to the following:

- $269,914 in total funds, of which $144,091 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $282,704 increase in total funds, of which $196,246 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $31,088 increase in total funds, of which $8,009 is general fund for increased overtime to process medical claims.
- $34,553 increase in total funds, all of which is general fund for the underfunding of the 2011-2013 budget.
- The remaining $380,833 increase in total funds, of which $36,278 is in general fund for increases needed to sustain the salaries of the 81.5 FTEs in this area of the budget.

The Operating line items decreased by $33,578,154. Major changes include:

- IT-Data Processing decreased $40,081,046; the change is mainly attributable to the following:
    - $42,416,499 decrease, of which $8,695,383 is general fund for removing one-time funding for the Eligibility System Modernization Project.
    - $1,863,820 increase, of which $477,401 is general fund for MMIS system software and hardware maintenance.
    - $810,000 increase, of which $148,907 is general fund to analyze the feasibility of migrating the remaining Department systems from the current mainframe environment.

- Supplies- IT Software increased by $5,575,807; the change is attributable to the following:
    - $5,000,000 increase, all of which is general fund for the Field Services Electronic Health Record Information System Replacement.
    - $575,807 increase, all of which is federal and other funds, relates to the implementation of a department-wide time and attendance and scheduling solution.
- IT Contractual Services increased $965,538, which is mainly attributable to the following:
    - $3,193,103 increase, of which $985,940 is general fund for system support and licensing fees for the Medicaid Management Information System.
    - $2,500,000 decrease, all of which is federal funds related to removing the one-time funding for the Vocational Rehabilitation Information System Project.
    - $288,772 increase, all of which is federal funds for the ongoing hardware and software maintenance costs for E-Prescribing and interoperability software at the regional human service centers. The e-Prescribing system module was implemented in the current biennium to support the telepharmacy project. This project allows the Department to leverage the expertise and services of pharmacists at the State Hospital and save pharmacy-related personnel costs at the eight human service centers.

The Capital Asset line of $216,160 contains items totaling $204,160 that should be included in operating. The $204,160, all of which is federal funds, includes $182,560 for the initial purchase and implementation of

health information technology software and $21,600 in hardware maintenance fees for telepharmacy equipment. The remaining $12,000, all of which is federal funds, is for new equipment needed to support the interoperability software.

The Field Services Electronic Health Record Information System Replacement project will implement an electronic health record information system that is focused on behavioral health to support the services offered by the Department's Field Services Division. The replacement software will support both outpatient and psychiatric inpatient business functions and service delivery needs. It will support the State Hospital's continued Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation by modernizing the IT system architecture and outdated technology, which limits the ability to incorporate changing federal requirements.

Capital Construction Carryover had a decrease of $21,291,536 in total funds, of which $2,377,532 is general fund for the Medicaid Systems Project. However, Section 4 of HB 1012 requests that any unexpended funds be made available for the completion of the Medicaid Systems Project during the 2013-2015 biennium.

House Changes:

- $204,160 was moved from capital assets to operating as requested above, this is all general fund.
- $5,000,000 was removed from operating for the field services electronic health records system replacement, this is all general fund.

This concludes my testimony on the 2013–2015 budget request for the Information Technology Services Division of the Department. I would be happy to answer any questions.

Attachment A

Human Service Eligibility Modernization Project
February 5, 2013

Total Cost	Original Estimate	Revised Estimate	Difference	
Software Development	$36,240,154	$47,354,189	$11,114,035	
				$ 5,401,991 Affordable Care Act
				$ 3,900,446 Developer Rate Increase
				$ 1,811,598 Management Reserve
Hardware/Software/Hosting	$1,616,069	$4,873,884	$3,257,815	Dedicated Environment & Extended Schedule
IV&V	$3,224,346	$4,485,750	$1,261,404	Extended Schedule
Project Team Space Lease	$548,849	$717,599	$168,750	Extended Schedule
DHS Personnel	$988,507	$988,507	$0	
Totals	$42,617,925	* $58,419,929	* $15,802,004	

General Funds			
Software Development	$7,314,648	$12,967,491	$5,652,843
Hardware/Software/Hosting	$435,777	$1,584,169	$1,148,392
IV&V	$667,833	$1,429,391	$761,558
Project Team Space Lease	$113,679	$203,897	$90,218
DHS Personnel	$204,742	$277,691	$72,949
Totals	$8,736,679	* $16,462,639	* $7,725,960

Estimated project completion date:
April , 2017

*Projected estimates will be reviewed at the end of Phase II analysis and Phase III analysis

Estimates may vary depending on changes that result from Federal program changes, including reauthorization of programs.

4

3-11-1
8:30AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Carol Cartledge, Director of Economic Assistance Policy Division of the Department of Human Services (DHS). I am here today to provide you an overview of the Economic Assistance program area.

Programs

Economic Assistance Policy Division (EAP) is responsible for eligibility of Basic Care Assistance Program, Child Care Assistance Program, Crossroads, a program for teen parents, Low Income Home Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF) Program. The Division's work includes:

- Distribution of benefits to recipients and payments to providers;
- Direction, supervision, and training of county social services office staff on the administration of EAP programs;
- Implementation of applicable state and federal laws;
- Policy and procedures for determining eligibility in the computer systems; and
- Preparation of required state and federal reports.

EAP also includes Quality Control/Assurance and Regional Representative Units. The Quality Control/Assurance Unit completes case reviews of Child Care Assistance, SNAP, Healthy Steps (Children's Health Insurance Program), Medicaid, and TANF. Regional

Representatives are the liaisons between Economic Assistance programs and county social service eligibility workers.

Caseload

EAP will direct and supervise county social services' determination of eligibility for the following:

Basic Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 615 residents of licensed basic care facilities, compared to the 2011-2013 biennium budget which was based on an average of 536 residents.

Child Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 3,170 cases per month, and the program will pay about 3,055 qualified child care providers an average monthly benefit per case of $275. This compares to the 2011-2013 biennium budget, which was based on an average of 3,915 cases per month receiving an average monthly benefit of $219.

SNAP: For the 2013-2015 biennium, EAP estimates serving an average of 27,671 cases each month that receive an average monthly benefit of $303, which is used to buy food at about 475 grocers in North Dakota. This compares to the 2011-2013 biennium budget, which was based on an average of 33,890 cases per month receiving an average monthly benefit of $297.

LIHEAP: For the 2013-2015 biennium, EAP estimates serving an average of 6,578 cases each month during the heating season, and paying about 400 energy providers an average monthly benefit per case of $230. This compares to the 2011-2013 biennium budget, which was based on approximately 6,910 cases per month during the heating season receiving

an average monthly benefit of $238. Also included is $5,070,000 for weatherization and emergency furnace repair and replacement.

TANF: For the 2013-2015 biennium, EAP estimates serving an average of 1,777 cases each month that will receive an average monthly benefit of $331. The Job Opportunities and Basic Skills (JOBS) program will work with 1,213 cases to find jobs and promote family self-sufficiency at an average monthly cost of $251. In comparison, the 2011-2013 biennium budget was based on an average of 2,253 TANF cases per month receiving an average monthly benefit of $302 and JOBS working with 1,221 cases at an average monthly cost of $246.

Kinship Care: For the 2013-2015 biennium, EAP estimates helping an average of 23 cases each month receiving an average monthly benefit of $726 compared to the 2011-2013 biennium budget, which was based on approximately 29 cases each month receiving an average monthly benefit of $614. These children would otherwise be in foster care.

Program Trends/Major Program Changes

Child Care Assistance: The child care caseloads are lower due to fewer families qualifying for benefits or qualifying for a lower benefit amount as a result of increased wages in North Dakota and implementation of a revised co-payment structure. As a result of the lower caseloads, the program increased maximum allowable rates paid to licensed providers, lowered family co-payments and reinstated payments for child care while qualifying individuals pursue a four-year degree in accordance with N.D.C.C. 50-33-03 – Available Benefits. The program is due for federal reauthorization by the end of March 2013.

SNAP: SNAP is the cornerstone of United States Department of Agriculture's nutrition programs and is the safety net that helps qualifying low-income people buy food to help them meet their nutrition needs. The caseload during the 2011-2013 biennium stabilized and caseloads did not increase as expected. The program is due for federal reauthorization by the end of September 2013, and at this time it is uncertain what will be contained in a new Farm Bill.

LIHEAP: The LIHEAP caseload has remained fairly stable. North Dakota will meet the heating needs of the LIHEAP clients in the 2013-2015 biennium, although FFY 2013 funding is not yet final. The program is due for federal reauthorization by the end of March 2013.

TANF: North Dakota continues to exceed the federally required 50 percent work participation rate without the addition of the caseload reduction credit. As a result of case management by employment contractors, pay after performance, and job opportunities in North Dakota, the TANF caseload remains below 2,000 cases per month. The program is due for federal reauthorization by the end of March 2013.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / (Decrease)	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	4,165,962	677,180	4,843,142	-	4,843,142
Operating	11,589,109	(404,050)	11,185,059	-	11,185,059
Grants	331,251,570	(40,357,071)	290,894,499	-	290,894,499
Total	347,006,641	(40,083,941)	306,922,700	-	306,922,700
General Funds	10,789,107	(2,549,854)	8,239,253	-	8,239,253
Federal Funds	317,470,807	(39,737,340)	277,733,467	-	277,733,467
Other Funds	18,746,727	2,203,253	20,949,980	-	20,949,980
Total	347,006,641	(40,083,941)	306,922,700	-	306,922,700
FTE	30.8	-	30.8	-	30.8

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $677,180 and can be attributed to the following:

- $106,419 in total funds, of which $49,840 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $114,442 in total funds, of which $64,076 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $195,542 increase, of which $79,781 is general fund, to provide for an additional 21 months of funding for the Health Care Reform eligibility and policy training position that was originally funded for three months during the November 2011 special session.
- $100,191 increase, of which $38,252 is general fund, to fund payouts for nine employees expected to retire in the 2013-2015 biennium.
- $122,566 increase, of which $4,903 is general fund, for an additional temporary position to lessen the impact on current staff involved in the eligibility system modernization project.
- The remaining $38,020 is a combination of increases and decreases needed to sustain the salaries of the 30.8 FTEs in this area of the budget.

The Operating line item decreased by $404,050 and is a combination of increases and decreases expected next biennium. The majority of which can be attributed to:

- $77,469 increase in travel due to bringing county eligibility workers for the eligibility system modernization project. In addition, the Quality Control Lead Reviewer is traveling from Jamestown to Bismarck on a biweekly basis or as needed. The previous Lead Reviewer was located in Bismarck.

- $368,574 decrease in the Operating Fees and Services budget is due to the Payment Error Rate Measurement required review under the Child Care Assistance program, which is no longer being contracted out. The reviews are now being completed by Quality Control/Quality Assurance Unit staff.
- $109,372 decrease in printing due to fewer manual letters being printed and an increase in electronic documents.

The Grants line item decreased by $40,357,071 and is a combination of the increases and decreases expected next biennium. The majority of the decreases can be attributed to:

- SNAP decrease of $40,653,014, all federal funds, which is due to 2011-2013 biennium caseload estimates not increasing as expected.
- TANF Regular Benefit decrease of $2,137,877, all federal funds, which is due to the 2011-2013 biennium caseload estimates not increasing as expected.
- LIHEAP increase of $1,956,853, all federal funds, which is based on estimated weather and fuel price trends.

The general fund request decreased by $2,549,854 but was offset by an increase of $2,203,253 in other funds.

The net change of the federal and other funds is a result of the increase and decreases above.

House Changes:

No changes were made in the Economic Assistance Policy Division.

This concludes my testimony on the 2013–2015 budget request for the Economic Assistance Policy Division of the Department. I would be happy to answer any questions.

#5
3-11-13
8:30Am

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jim Fleming, Director of the Child Support Division of the Department of Human Services (Department). I am here today to provide you an overview of the child support program for the Department.

Programs

The purpose of the child support program is to enhance the well-being of children and reduce the demands on public assistance programs. The Child Support Division accomplishes this purpose by obtaining child support and medical support from legally-responsible parents and by encouraging positive relationships between parents and their children.

Caseload/Customer Base

The caseload of the Child Support Division consists of two kinds of cases: 1) cases receiving all appropriate establishment, enforcement, and disbursement services under Title IV-D of the Social Security Act (IV-D cases) and 2) cases in which the Child Support Division only issues income withholding orders, maintains payment records, and disburses payments (nonIV-D cases).

A child support case can become a IV-D case upon request from another state or Tribe; upon referral from Foster Care, the Temporary Assistance

for Needy Families program, or Medical Assistance (Medicaid); or upon request from either parent. While it may seem strange that a person who owes child support would apply for child support services, the reality is that the Child Support Division offers many services to help parents find employment, file motions with the court to reduce child support obligations following lay-offs or other reductions in income, and create long-term payment plans for parents who already owe arrears and are having financial difficulties. These payment plans include the suspension of additional interest on the arrears for as long as the plan is being followed.

As shown in the chart below, the total child support caseload was 52,871 in December 2012. The IV-D caseload was 40,611 and the nonIV-D caseload was 12,260. As of September 30, 2012, the most recent date we have data available from the federal government, our caseload included 65,873 children and 79,931 parents.

Department of Human Services
Child Support Cases
December 2001 through December 2012

Case Type	12/2001	12/2002	12/2003	12/2004	12/2005	12/2006	12/2007	12/2008	12/2009	12/2010	12/2011	12/2012
Non IV-D	13,131	11,872	9.474	9.802	9,771	10,314	10,161	9,971	10.410	11.072	11,518	12,260
IV-D	39.047	39,236	40,180	41,385	41.886	42,323	42.540	42,108	42,241	40,399	39,827	40,611
Total	52,178	51,108	49,654	51,187	51,657	52,637	52.701	52,079	52,651	51.471	51,345	52,871

We continue to monitor our caseload carefully for any trends that may be connected to the increased oil field activity.

Program Trends/Major Program Changes

Program Changes

During the current biennium, one of the most recent changes is in the name of our division from "Child Support Enforcement" to "Child Support." Almost 40 years ago, when the child support program was created, the focus of the program was to obtain as many orders as possible and enforce those orders to recoup public assistance expenditures. Presently, the program's focus instead is on maintaining realistic child support obligations that allow parents to make sustained collections of current support that children and families can rely on to meet their needs without applying for public assistance. In national discussions on the current role of the child support program, two common phrases are "arrears management" and "right-sizing orders." These phrases reflect the indirect but significant impact on child support collections when the Child Support Division helps parents with finding employment, managing their arrears debt, and making sure the court-ordered current monthly obligation changes periodically to follow rises and falls in the parent's income.

This name change is one of the last steps in the reorganization of the Child Support Division. The reorganization process began in 2007 when the Legislature transferred administration of the child support program from the counties to the Department to encourage more efficient and consistent services throughout the state. This transfer was a very large undertaking, and was completed with existing staff and resources over the course of several years.

In the last biennium, the organizational structure of the Child Support Division was changed to reflect the revised role of the eight regional units and the central office as components of an integrated statewide program instead of stand-alone offices. The new structure focuses on customer service on a statewide basis and assigns two assistant division directors to supervise four regional offices each. The Child Support Division's commitment to collaborative planning and training was increased, as was the interaction between program managers and field office staff. We believe the reorganization will continue to expand the focus of the child support program beyond enforcement activities to enhanced customer service.

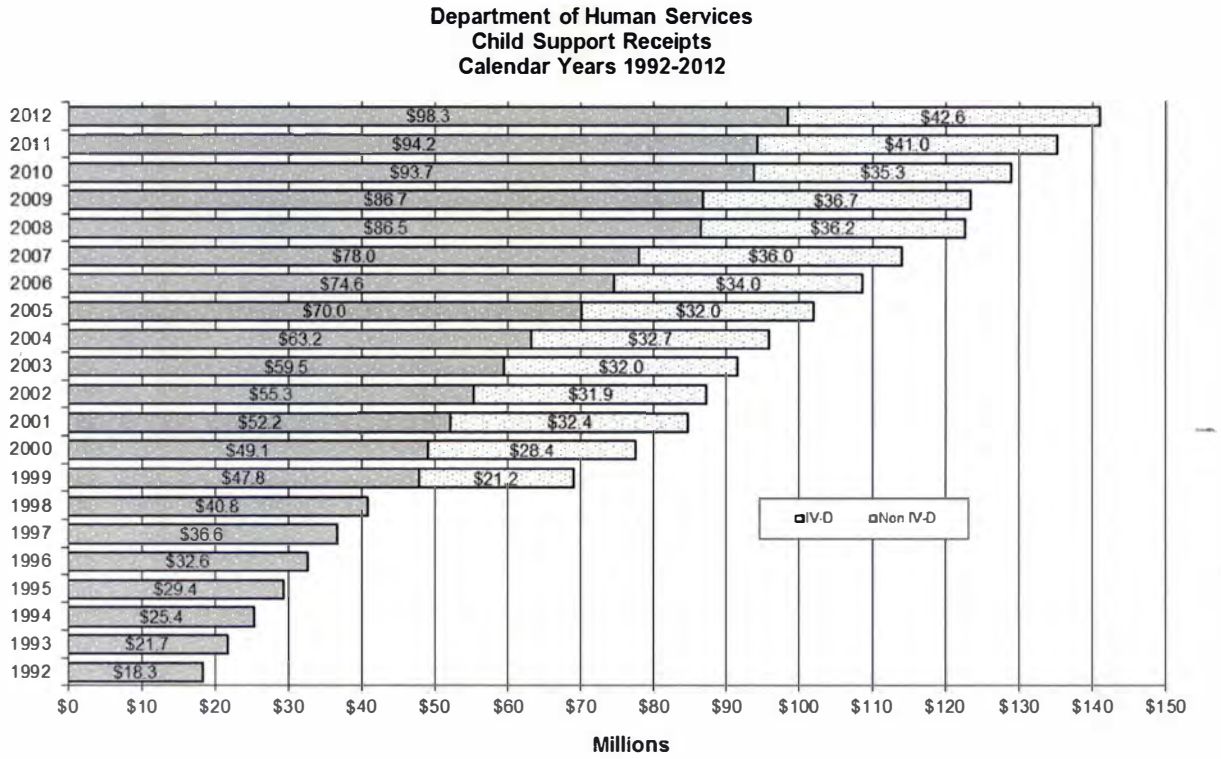
The 2011-2013 biennium has also seen notable increases in collections through income withholding and employer usage of the Child Support Division's website for reporting new hires and remitting funds. While a part of this increase can be attributed to the state's strong economy, we can also see the impact of 1) expanded employer outreach in the biennium and 2) the January 1, 2012, effective date of legislation requiring larger employers to submit payments and new hire reports electronically. The number of employers who have asked to be exempt from the new law is minimal. The new on-line lien registry, which went live in March 2012, has also resulted in large payments and cases being paid in full.

Collections

For calendar year 2012, total collections reached a new record of $140.96 million. The collections in IV-D cases increased 4.4 percent to $98.34 million, and the collections in nonIV-D cases increased 3.9 percent to $42.6 million. Of the estimated $285 million we expect to collect in the

next biennium, we expect roughly 86 percent will be sent to families, with the remaining 14 percent either sent to other jurisdictions for disbursement or retained to reimburse taxpayers for expenditures by the Foster Care and Temporary Assistance for Needy Families programs.

Nearly two-thirds of child support collections are the result of employers withholding from employee wages under an income withholding order.



Performance.

The Child Support Division, with the help of strategic partners such as employers and the clerks of court, continues to rank as one of the best programs nationally, even though there is more work yet to do. Using the five federal fiscal year (FFY) measurements:

- Percent of children in IV-D cases born out of wedlock with paternity established or acknowledged: 108.84 percent (this formula

compares the children born out of wedlock with paternity established in IV-D cases that were open during FFY 2012 with the number of children born out of wedlock in IV-D cases that were open at the end of FFY 2011), down slightly from 109.5 percent in FFY 2011 and up from 108.14 percent in FFY 2010.

- Percent of cases with court orders for child support: 89.15 percent, down slightly from 89.84 percent in FFY 2011 and 89.78 percent in FFY 2010.
- Percent of current support owed in IV-D cases that is collected: 75.09 percent, up from 74.57 percent in FFY 2011 and 74.21 percent in FFY 2010.
- Percent of IV-D cases with arrears in which there was a collection on the arrears: 68.68 percent, down slightly from 69 percent in FFY 2011 and 68.7 percent in FFY 2010.
- Amount collected for each dollar spent: $6.63, up measurably from $6.32 in FFY 2011 and $5.61 in FFY 2010. This is the highest ratio achieved by the child support program since the data started being collected in 2002.

In addition to the five federal performance measurements above, the number of IV-D cases that cannot proceed for lack of jurisdiction has reached a historic low of 1,986 based on our increased efforts to partner with Tribes, Tribal IV-D programs, and Tribal courts.

Receivables

As mentioned in the performance section of this testimony, North Dakota parents on average are very diligent in providing current support for their children. Although over 75 percent of the current support that accrued during the course of FFY 2012 was collected on time and in full, over $24 million in current support went uncollected. Over the course of FFY 2012,

the Child Support Division collected $21.23 million in past-due child support. Factoring in the judgment interest that accrues monthly on unpaid child support arrears, the total arrears owed in IV-D cases in North Dakota at the end of calendar year 2012 rose slightly to $233.2 million, with another $69.8 million owed in nonIV-D cases.

Medical Support

Establishment and enforcement of medical support have long been core services of the child support program. To date, our program focus has been on identifying any coverage that is available at no cost or nominal cost to the parent with primary residential responsibility, or else any coverage that is available at reasonable cost to the parent who does not have primary residential responsibility. Just before the enactment of the Affordable Care Act, new federal program requirements were adopted that would have significantly increased the duties of the child support program regarding medical support. After the Affordable Care Act was enacted, these new requirements were placed on hold. Currently, we await federal guidance on the expectations of the child support program. It remains to be seen whether the child support program will continue to have a limited role in identifying available coverage, or will have increased responsibilities to enforce the mandates of the Affordable Care Act. In preparation for potential program changes to implement new medical support requirements, and the priority that will need to be given to any of those changes, the Child Support Division has been committing extra time to standardize the program's legal documents and update existing policies.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	20,858,040	730,357	21,588,397	0	21,588,397
Operating	4,182,317	243,863	4,426,180	0	4,426,180
Total	25,040,357	974,220	26,014,577	0	26,014,577
General Funds	6,834,904	402,902	7,237,806	0	7,237,806
Federal Funds	15,168,700	523,411	15,692,111	0	15,692,111
Other Funds	3,036,753	47,907	3,084,660	0	3,084,660
Total	25,040,357	974,220	26,014,577	0	26,014,577
FTE	165.2	0	165.2	0	165.2

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $730,357 and can be attributed to the following:

- $532,579 in total funds of which $223,073 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $436,063 in total funds of which $233,103 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining $238,285 decrease is a combination of increases and decreases needed to sustain the salary of the 165.20 FTEs in this area of the budget.

The Operating line item increased by $243,863 and is a combination of the increases and decreases expected in the next biennium. Some of the significant changes are:

- $110,903 increase in operating fees and services for costs related to serving parents with legal notice of court actions (service of process).
- $34,173 increase in in-state travel for assistant directors and specialized staff, and the projected volume of travel for court hearings.
- $58,688 increase to cover rent increases at five of nine current office locations.

The general fund request increased by a net amount of $402,902, consisting of an increase of $456,176 related to the Governor's salary package for state employees and an offsetting decrease in salary and operating changes as noted above.

Eligible IV-D expenditures are matched with 66 percent federal funds and 34 percent state funds. The other funds contained in the budget include the state's share of fee revenue and federal incentive funds that must be reinvested in the program.

House Changes:

There were no House changes to the Child Support area of the budget.

This concludes my testimony on the 2013–2015 budget request for the Child Support Division of the Department. I would be happy to answer any questions.

6

3.11-13
2:00pm.

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Cheryl Hess, Executive Director of the North Dakota State Council on Developmental Disabilities. I am here today to provide you an overview of the Council's budget request.

Programs

The Council administers the federal Developmental Disabilities Act Basic State Grant allocated to North Dakota. The Council advocates for policy changes that promote choice, independence, productivity, and inclusion for all North Dakotans with intellectual and developmental disabilities. The Council provides funding for and supports projects and activities that maximize opportunities in these areas for consumers and their families.

Program Trends/Major Program Changes

Under its federally approved five-year plan for 2012-2016, the Council is responsible for tracking and annually reporting performance data on 13 performance outcome measures to the federal Administration on Intellectual and Developmental Disabilities. Among other performance outcome data, some of the Council's accomplishments for 2012 include:

- 26 people were trained in employment
- 728 people were trained in community inclusion and inclusive education

- 37 people received training and supports to utilize mainstream technology to increase their access to the community, resources, social interactions, education, and employment opportunities
- 635 people became active in systems advocacy about community supports
- Six buildings/public accommodations became accessible
- Seven people joined boards, committees or advisory groups as a result of Council initiatives
- 673 people received training in quality assurance
- 652 people were trained in leadership, self-advocacy, and self-determination
- 116 entities participated in partnerships or coalitions created/sustained as a result of Council efforts
- 1,239 public policy makers and the general public were educated about issues related to Council initiatives

For the 2013-2015 biennium, the Council intends to continue to award grants to state and local private, non-profit agencies and organizations. Activities under these grants will need to address at least one of the six goals identified as priorities in the Council's federally approved five-year plan. These priority areas include: Community Living and Supports, Employment, Transition, Health Care, Self-Advocacy, and Leadership. More specifically, grant-funded activities under these priority areas are intended to assist persons with intellectual or developmental disabilities to:

- Have access to services available in the community that enhance their quality of life.
- Obtain and maintain employment consistent with their interests, abilities, and needs.

- Reach their educational and developmental potential.
- Have the information, skills, opportunities, and supports needed to live free of abuse, neglect, exploitation, and violation of their human and legal rights.

Overview of Budget Changes

Description	2011 – 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	162,095	5,349	167,444	0	167,444
Operating	132,652	(89,589)	43,063	0	43,063
Grants	621,142	78,858	700,000	0	700,000
Total	915,889	(5,382)	910,507	0	910,507
Federal Funds	915,889	(5,382)	910,507	0	910,507
FTE	1	0	1	0	0

Budget Changes from Current Budget to the Executive Budget:

The Council's budget request is 100 percent federal funding.

The Salary and Wages line item increased by $5,349, which can be mainly attributed to:

- $3,457 in federal funds to support the Governor's salary package for state employees.
- $2,103 in federal funds needed to fund the employee increases for 24 months versus the 12 months that are contained in the current budget.

The Operating line item decreased by $89,589, which can be primarily attributed to:

- Previous budget included contracted personnel to monitor grants. This will now be done internally.

The greatest share of the Council's proposed budget continues to be the Grants line item. The Grants line item increased by $78,858, which can be attributed to:

- The reduction in the operating line has moved to Grants to increase grant dollars for state, local, private, non-profit organizations and agencies to assist the Council to reach the goals outlined in North Dakota's 2012-2016, five-year State plan.

House Changes:

There were no House changes to the DD Council area of the budget.

This concludes my testimony on the 2013–2015 budget request for the Council. I would be happy to answer any questions.

HB1012 - 3-11-13 2:00pm #7

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jan Engan, Director of the Aging Services Division for the Department of Human Services. I am here today to provide an overview of the Aging Services Division for the Department of Human Services.

Programs

The Aging Services Division (Division) provides home and community-based services to assist individuals to remain in their homes and communities and to protect the health, safety, welfare, and rights of residents of long-term care settings and vulnerable adults in the community. The Division administers programs and services authorized and funded, in part, by the Older Americans Act that include:

- Elderly Nutrition Programs
- Supportive services such as Legal Assistance, Health Maintenance, Assistive Safety Devices Distribution Services, Senior Companion, and the Aging and Disability Resource-LINK initiative (Information and Referral and Options Counseling)
- Family Caregiver Support Program
- Long-Term Care Ombudsman Program
- Vulnerable Adult Protective Services Program

The Division also administers the U. S. Department of Labor's award to the state for the Senior Community Service Employment Program,

and administers programs and services funded with state funds to include: Guardianship Program for Vulnerable Adults, State funds to Providers, Dementia Care Services, support for the Governor's Committee on Aging, and the Telecommunications Equipment Distribution Program.

The Division is a federally designated single planning and service area which requires the Division to carry out 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 reauthorization 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."

Caseload/Customer Base

In Federal Fiscal Year (FFY) 2011, the total estimated unduplicated count of persons served through services supported by OAA Title III was 27,997. Services provided under the OAA are generally for individuals 60 years of age and older with an emphasis on services to those with greatest economic need and greatest social need, with particular attention to low-income minority individuals and older individuals residing in rural areas. Also included in the target groups are older individuals at risk for institutional placement, with severe disabilities, with limited English proficiency, and with Alzheimer's disease and related disorders, and their caregivers. Attachment 1 depicts the programs and services provided by the Division.

OAA Federal Fiscal Year 2011 Program Utilization

Older Americans Act – Title III Programs		
SERVICE	UNITS OF SERVICE	
Congregate Meals (meals served at meal sites)	686,631 meals	1 unit = 1 meal
Home Delivered Meals	480,547 meals	1 unit = 1 meal
Health Maintenance	129,442 units	Set unit/procedure
Information and Assistance	1,856 units	1 unit = 1 contact
Legal Assistance	6,007 units	1 unit = 1 hour
Assistive Safety Devices	1,431 units	1 unit = 1 device
Outreach	75,647 units	Set unit/procedure
Options Counseling	3,188 units	Set unit/procedure
Senior Companion	3,625 units	1 unit = 1 contact

Family Caregiver Support Program	
Unduplicated Caregivers Served	386
Unduplicated Grandparents Raising Grandchildren Served	6
Respite Care Provided	29,150 hours

Long-Term Care Ombudsman Program	
Number of Complaints	858
Number of Cases Opened	687

Vulnerable Adult Protective Services	
New Cases	458
Closed Cases	434
Information/Referral	687
Brief Services (2 hours or less)	411
Hours	5,324

Engrossed Senate Bill 2323 requires mandatory reporting by various professionals having reasonable cause to believe a vulnerable adult has been subject to abuse or neglect. This change in mandatory reporting will increase the number of referrals received by Department staff. Similar legislation passed in South Dakota increased their referrals by 70 percent. The Department used the experience in South Dakota to prepare the estimated cost for Engrossed Senate Bill 2323. The Department's estimate is for eight additional staff persons located in the various regions across the state. Amendments were adopted on the floor of the Senate which will reduce the number of professionals that will be required to report; however, the amendments are not expected to reduce the number suspected neglect or abuse cases reported. Therefore, the Department does not expect the estimated cost to implement Engrossed Senate Bill 2323 to decrease.

- The **Senior Community Service Employment Program** (SCSEP), provides part-time employment and training opportunities for eligible persons 55 years of age and older with incomes up to 125 percent of poverty with the goal to transition into permanent employment. The Division contracts with Experience Works to provide direct services to participants. On-the-job training was provided to 74 individuals, with a program year-end open caseload of 57. From July 1, 2011, to September 30, 2012, there were 22 placements to unsubsidized employment settings. Testimony provided in 2010 reported that SCSEP programs nationwide experienced a 25 percent reduction in federal funding reducing North Dakota's planned participants from 71 to 56 positions. Experience Works serves an additional 216 participants in North Dakota through a national contract with the Department of Labor, which was reduced from 276 positions. The

Division recently was notified of an award to the National Indian Council on Aging, effective October 1, 2012, adding 25 positions in designated locations throughout North Dakota.

- The **Guardianship Enhancement Program** provides funds for the purpose of guardianships program enhancements. From July 2011 to December 2012, guardianship funds were approved for 24 low-income individuals who were not eligible for guardianship services through the Developmental Disabilities system. In addition to being low-income, a proposed ward must have a current diagnosis of a serious mental illness, or a documented traumatic brain injury (TBI), or be age 60 or older and be receiving case management services from a human service center, county social services, vulnerable adult protective services, independent provider, medical facility or similar agency. In this same time period, there were 41 intakes, 24 approved, 12 denials, three waiting further information, and two requests withdrawn. Referrals are received from a variety of sources with 41 percent being initiated by Vulnerable Adult Program staff. The current diagnosis or category for **approved requests** are:

TBI	2
60 years of age and older	5
Mental Health	5
Mental Health/TBI	3
Mental Health/60+	9
Total	24

From July 1, 2011, to January 8, 2013, total expenditures for the petitioning of 20 guardianships was $32,805.41 with the average cost per person served at $1,640.27. From the funds appropriated, an

annual $500 payment is provided to guardians to assist in defraying associated costs for being a guardian. A combination of first and second year payments totaling $7,000 have been made to nine guardians.

- **Dementia Care Services Program** continues to be contracted to the Alzheimer's Association of MN/ND to provide resources, assistance, and support for citizens across North Dakota, in all geographic areas.

DEMENTIA CARE SERVICES PROGRAM		
	18 months January 2010 - June 2011	**12 months July 2011 – June 2012**
Contacts*	1,456	1,067
Caregivers	717	616
Persons with Dementia	454	345
Caregiver Training	320	168
Public Awareness/Training	867	694
Long-Term Care Costs Avoided (Median Range)	$3,007,147	$14,167,102
Health Care Cost Savings	$216,928	$85,944

*Contacts are a duplicate count of caregivers or persons with dementia.

- **The Aging and Disability Resource-LINK** initiative is in the final stages of implementation. The reauthorization of the OAA in 2000 and again in 2006 included language to create the Aging and Disability Resource Center Program (ADRC), known in North Dakota as the Aging and Disability Resource LINK (ADRL). The program is a collaborative effort of the Administration on Aging and the Centers for Medicare and Medicaid Services designed to streamline access to long-term care services and supports. Essentially this initiative is a nationwide effort to restructure services and support for older adults, all persons with disabilities, family members, and care providers. The Administration

on Aging issued grants to states, and North Dakota received a three-year grant in 2009 for a pilot program to operationalize the ADRL concept and implement Options Counseling in Region VII. The implementation plan for the ADRL concept is to transition outreach services to options counseling. The ADRL is a new approach to serving people that is built on strengthening existing community partnerships and also developing new partnerships. The service is available to provide help to persons who do not qualify for publicly funded services as well as those who do qualify. ADRL services focus on information and awareness, options counseling, streamlined access, person-centered hospital discharge planning, and quality assurance and evaluation. Beginning in January 2012, options counseling was implemented in the western four regions of the state and in 2013 it will be available statewide. Options counseling benefits individuals with immediate long-term care needs, especially after a major life changing event, individuals planning for future needs, and individuals and caregivers transitioning from one setting to another, especially those who do not qualify or receive public assistance.

The Graying of North Dakota brochure (Attachment 2) outlines the aging demographic. More recent data taken from "Aging Is Everyone's Business," December 2010, shows:

- A population shift of persons 60 years of age and older from rural to urban North Dakota communities is expected from 2000 to 2030:
    - In 2000, persons 60 years and older living in rural areas was 74,706 (63 percent) as compared to persons 60 years and older living in urban areas at 44,279 (37 percent).

    - By 2030, there is a population shift in this age group where 45 percent will be living in rural communities and 55 percent will live in urban communities.
- Growth is expected in the older population through 2050:
    - In 2011, the first Baby Boomer reached age 65 (Baby Boomers include anyone born between 1946 and 1964).
    - In 2030, all Baby Boomers will be between ages 65 and 84 and the population 65 and older will comprise about 25 percent of North Dakota's total population.
    - In 2050, Baby Boomers will be age 85 and older.

Information from the 2012 Statewide Housing Needs Assessment Briefing Points indicates in 2025, residents ages 65 and older are projected to be 18 percent of the total population, up from 14 percent in 2010.

Program Trends/Major Program Changes

- Studies continue to support the belief consumers of long-term care services prefer to remain at home, to live with or near family, and to have the opportunity to maintain independence. As increased numbers of North Dakotans reach 80 years of age and older, and since the incidence and prevalence of Alzheimer's disease and other related dementias increase with age, it is expected the number of individuals with these conditions will also grow rapidly. Estimates from the Alzheimer's Association indicate about 18,000 North Dakotans with Alzheimer's disease are being cared for by some 27,000 caregivers. This number is projected to increase in coming years. Alzheimer's disease, other related dementias, and some chronic care diseases impact the health and well-being of the recipient and also impact

caregivers who report experiencing high levels of stress and negative effects on their health, employment, income, and financial security. Continued efforts to provide services, training, and community education will be needed to sustain the ability of caregivers in their efforts to provide the care needed in a home setting.

- With the projected increase in the aging population, the ability to access services to support a safe and healthy environment has the potential to increase demands in the area of Elder Rights. A 2010 study published in the American Journal of Public Health reports approximately 11 percent of elders experienced some type of abuse. This study did not include elders with dementia; however, it reported this population to be at an even greater risk of mistreatment. Nationally, research estimates indicate 1 in 14 cases of elder abuse is reported, and that elder abuse is under-identified and under-reported (1998 National Elder Abuse Incidence Study).

- Assisting individuals to live in a safe and healthy environment includes the work of the Long-Term Care Ombudsman Program. Staff and volunteers work to protect the health, safety, welfare, and rights of residents living in nursing facilities, assisted living, swing beds, transitional care units, and basic care facilities. This program has experienced a 40 percent increase in cases from FFY 2009 through FFY 2011.

- Living at home and in the community is also supported through elderly nutrition services that includes congregate meals, home delivered meals, nutrition education, and nutrition counseling. Older Americans Act Nutrition Programs have a three-fold purpose: to reduce hunger

and food insecurity, to promote socialization of older individuals, and to promote the health and well-being of older individuals. A study released December 4, 2012, completed by Brown University indicates the more states spend on home delivered meals the more likely they are to help people stay at home. Proper nutrition improves the health, self-sufficiency, and quality of life of older adults. With projected increases expected in the 60+ population, the nutrition providers will face new challenges in meeting the needs of a more diverse population group along with on-going challenges such as increasing costs of foods and supplies, compliance with federal requirements including dietary requirements for meals, transportation and fuel costs for meal delivery, population shifts from rural to urban, as well as service needs in sparsely populated rural communities. Additional challenges include fairly flat federal funding that continues to stretch the resources available to contract providers to meet expenses of providing these services.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	1,584,936	70,360	1,655,296		1,655,296
Operating	13,721,684	1,272,141	14,993,825	(1,000,000)	13,993,825
Grants	2,834,472	38,974	2,873,446		2,873,446
Total	18,141,092	1,381,475	19,522,567	(1,000,000)	18,522,567
General Funds	4,788,173	1,898,936	6,687,109	(1,000,000)	5,687,109
Federal Funds	13,073,669	(518,211)	12,555,458		12,555,458
Other Funds	279,250	750	280,000		280,000
Total	18,141,092	1,381,475	19,522,567	(1,000,000)	18,522,567
FTE	11.00	0.00	11.00	0.00	11.00

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item is increased by $70,360:

- $34,842 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $37,980 in total funds of which $29,628 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining net decrease of $2,462 is a combination of increases and decreases needed to sustain the salary of the 11 FTEs in this area of the budget.

The Operating line item increased by $1,272,141 and is mainly a combination of the following increases and decreases:

- Travel decrease of $20,180 of which $17,099 is general fund and is a combination of increase and decreases that reflect current utilization and the ending of the federal ADRL grant.
- Professional Development decrease of ($61,351), the majority of which is for the removal of a one-time increase to Guardianship, which is all general fund.
- Operating Fees and Services has a net increase of $1,366,849 mainly attributed to:
  - An increase of $800,000 for Elderly Nutrition Programs.
  - Increase of $1,000,000 for Guardianship services, which is all general fund.
  - Decrease of $175,690 for Title IIIB.
  - Decrease of $250,000 for Senior Employment.

The Grants line item increased by $38,974 and is mainly a combination of:

- Increase of $81,404 for Title IIIB Support.
- Decrease of $43,330 due to reduction in Senior Employment.
- Increase of $900 in other funds due to donations received for

conference speakers.

House Changes:

- Guardianship services were decreased by $1,000,000 of which all is general fund.

This concludes my testimony on the 2013–2015 budget request for Aging Services Division of the Department. I would be happy to answer any questions.

Older Americans Act Programs (OAA)/State-Funded Programs

North Dakota Department of Human Services – Aging Services Division

Attachment 1

Nutrition Services Program	Supportive Services Program	Family Caregiver Support Program	Long-Term Care Ombudsman Program	Vulnerable Adult Protective Services Program
Services ▪ Congregate Meals ▪ Home-Delivered Meals ▪ Nutrition Screening ▪ Nutrition Education ▪ Nutrition Counseling	**Services** ▪ ADRL Options Counseling ▪ Assistive Safety Devices ▪ Health Maintenance (foot care; home visits; medication set-up; blood pressure/pulse/rapid inspection) ▪ Legal Assistance ▪ Outreach (ending 12/31/1 2) ▪ Senior Companion*	**Services** ▪ Information ▪ Assistance ▪ Individual Counseling ▪ Support Groups ▪ Training ▪ Respite Care ▪ Supplemental Services	**Services** ▪ Receive, investigate, and resolve complaints made by or on behalf of residents of long-term care and assisted living facilities ▪ Community Volunteer Ombudsmen* assist regional ombudsmen and provide on-going presence in assigned facilities	**Services** ▪ Assessment & evaluation of alleged abuse, neglect, self-neglect, or exploitation ▪ Referral or arrangement for provision of services if the vulnerable adult accepts/consents to services and follow-up ▪ Public education
Eligibility ▪ Individuals age 60 and older and spouse, regardless of age ▪ Volunteers under age 60 providing meal services during meal hours ▪ Individuals with a disability under age 60 in a housing facility primarily occupied by older individuals may receive a congregate meal if the facility has an OAA congregate meal site ▪ Individuals with a disability under age 60 who reside with an individual age 60 and older	**Eligibility** ▪ Individuals age 60 and older *Senior Companion ▪ Volunteers - Individuals age 60 and older meeting income requirements of up to 200 percent of poverty ▪ Recipients – Individuals age 60 and older who are homebound; not living in a long-term care facility	**Eligibility** ▪ Family caregivers of individuals age 60 and older ▪ Individuals caring for a person with Alzheimer's or related dementia, regardless of age of the person with dementia ▪ Grandparents or relative caregivers age 55 and older who care for children not more than 18 years of age ▪ Grandparents or relative caregivers age 55 and older providing care for adult children with a disability (age 19 and 59); caregiver cannot be the child's parent	**Eligibility** ▪ Residents of nursing facilities, basic care facilities, hospital swing beds, sub-acute and transitional settings, and assisted living facilities *Community Volunteer Ombudsmen must be 18 years of age or older and complete initial and on-going training	**Eligibility** ▪ Individuals age 18 and older or a minor emancipated by marriage who has a substantial mental or functional impairment that compromises health safety, or independent life style; does not include individuals residing in a long-term care facility or a group home for an identified population
Program Income ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients/recipients given the opportunity to contribute to the cost of the service ▪ No client/recipient is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used	**Program Income** Not applicable	**Program Income** Not applicable
			Information & Assistance: North Dakota Aging & Disability Resource-LINK 1.800.GO2LINK (1.800.462.5465) www.carechoice.nd.gov carechoice@nd.gov	

Older Americans Act Programs (OAA)/State-Funded Programs
North Dakota Department of Human Services – Aging Services Division

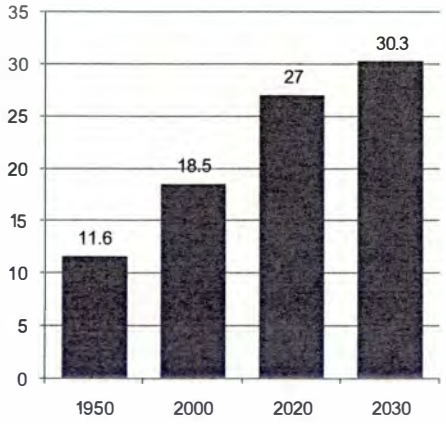
Senior Community Service Employment Program (SCSEP)	Dementia Care Services Program (State-funded)	Telecommunications Equipment Distribution Program (State-funded)	Guardianship Services for Vulnerable Adults (State-funded)
Services ▪ Job training ▪ Subsidized employment	**Services** ▪ Assessment ▪ Care Consultation ▪ Referrals ▪ Caregiver Training ▪ Education on dementia to medical professionals, law enforcement, caregivers, and the general public	**Services** ▪ Specialized telecommunications equipment	**Services** ▪ Establishment of guardianships for specific populations ▪ Set payment for court appointed guardian
Eligibility ▪ Individuals age 55 and older with income not more than 125 percent of poverty	**Eligibility** ▪ Individuals with dementia and their caregivers ▪ Eligibility is not based on diagnosis, age, or income level	**Eligibility** ▪ Have difficulty using the telephone because of a severe hearing loss, speech impairment or physical disability, and ▪ Have applied for or have phone service in their home, and ▪ North Dakota resident age five or over, and ▪ Meet income limits (based on the estimated median income for North Dakota), and ▪ Certified by a physician, audiologist, hearing instrument specialist, or speech language pathologist as unable to use a telephone readily purchased from a retail store	**Eligibility** ▪ Individuals who have a diagnosed mental illness, traumatic brain injury, or are over age 60 and are ineligible for developmental disabilities case management ▪ Guardian must be court-appointed
Program Income Not Applicable	**Program Income** Not applicable	**Program Income** Not applicable	**Program Income** Not Applicable

Percent of the North Dakota Population 60 Years of Age and Older and 85 Years of Age and Older

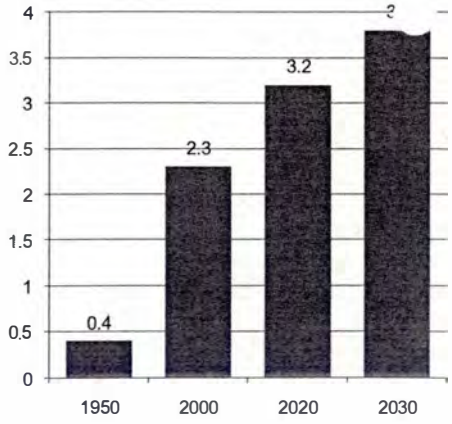
- **In 1950,** 72,050 (11.6%) of North Dakota residents were age 60 and older.
- **In 2000,** 118,985 (18.5%) of North Dakota residents were age 60 and older. The U.S. percent of residents age 60 and older was 16.3.
- **In 2020,** it is projected that 170,117 (27%) of North Dakota residents will be age 60 and older.
- **In 2030,** it is projected that 183,897 (30.3%) of North Dakota residents will be age 60 and older.

- **In 1950,** 2,262 (0.4%) of North Dakota residents were age 85 and older.
- **In 2000,** 14,726 (2.3%) of North Dakota residents were age 85 and older. The U.S. percent of residents age 85 and older was 1.5.
- **In 2020,** it is projected that 20,106 (3.2%) of North Dakota residents will be age 85 and older. The U.S. percent of residents age 85 and older is projected to be 1.9.
- **In 2030,** it is projected that 23,302 (3.8%) of North Dakota residents will be age 85 and older.

Percent ND Population Age 60 and Older



Percent ND Population Age 85 and Older



Challenges for the Future

- Addressing healthy aging through disease prevention and health promotion.
- Continuing to support the needs of family caregivers.
- Providing an array of quality long-term care options, especially home and community-based services which many people report they prefer.
- Addressing the mental health needs of older persons.
- Providing consumers and their families easier access to services through information and development of "one stop shop" programs.
- Addressing the issue of the direct care service workforce and the value of older workers.

For Additional Information Contact:
North Dakota Department of Human Services
Aging Services Division
1237 West Divide Avenue, Suite 6
Bismarck, ND 58501
www.nd.gov/dhs

To Locate Services:
ND Aging and Disability Resource-LINK:
1-800-451-8693
Searchable database:
www.carechoice.nd.gov
Email: carechoice@nd.gov

DN425

Attachment 2

The Graying of North Dakota

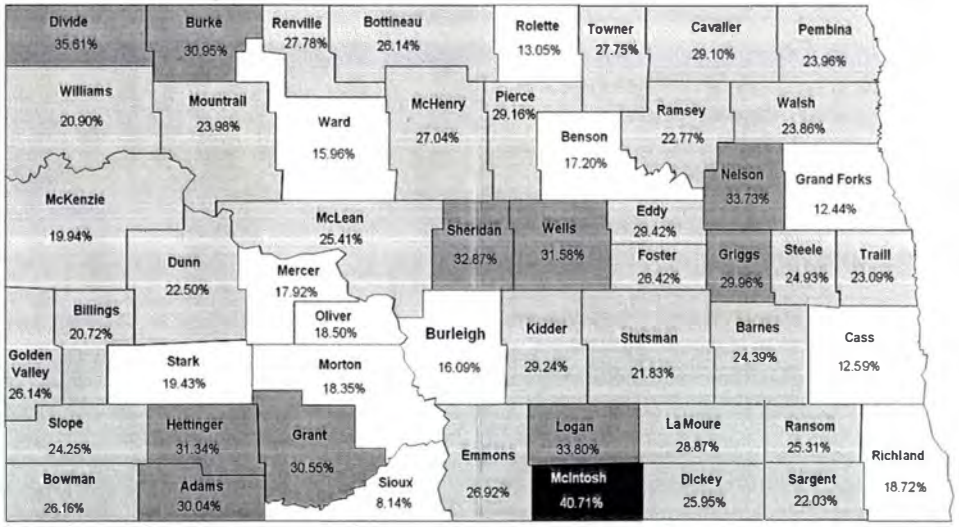
2000 - 2020

December 2008

Percent Population Age 60 and Older in North Dakota Counties

White: < 20% | Light Blue: 20 - 29% | Medium Blue: 30 - 39% | Dark Blue: 40 - 49% | Navy Blue: 50+ %

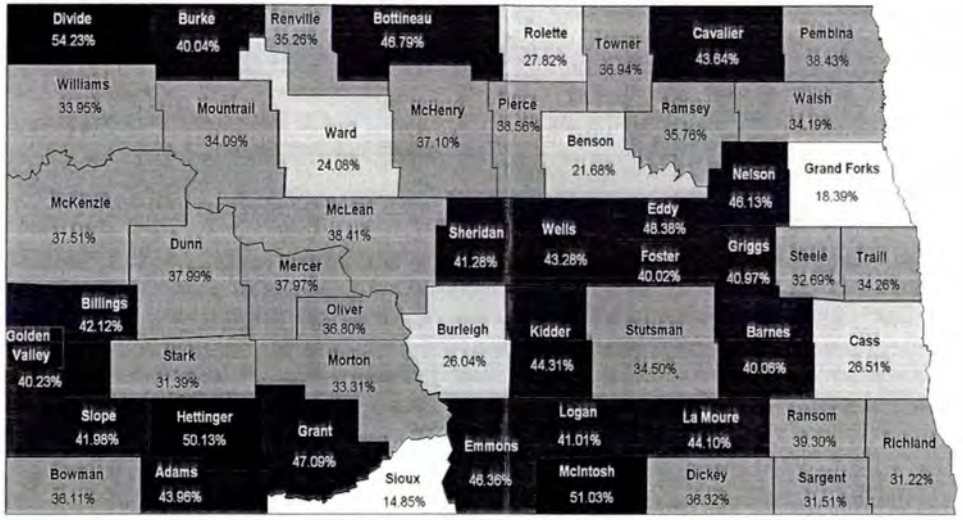
2000



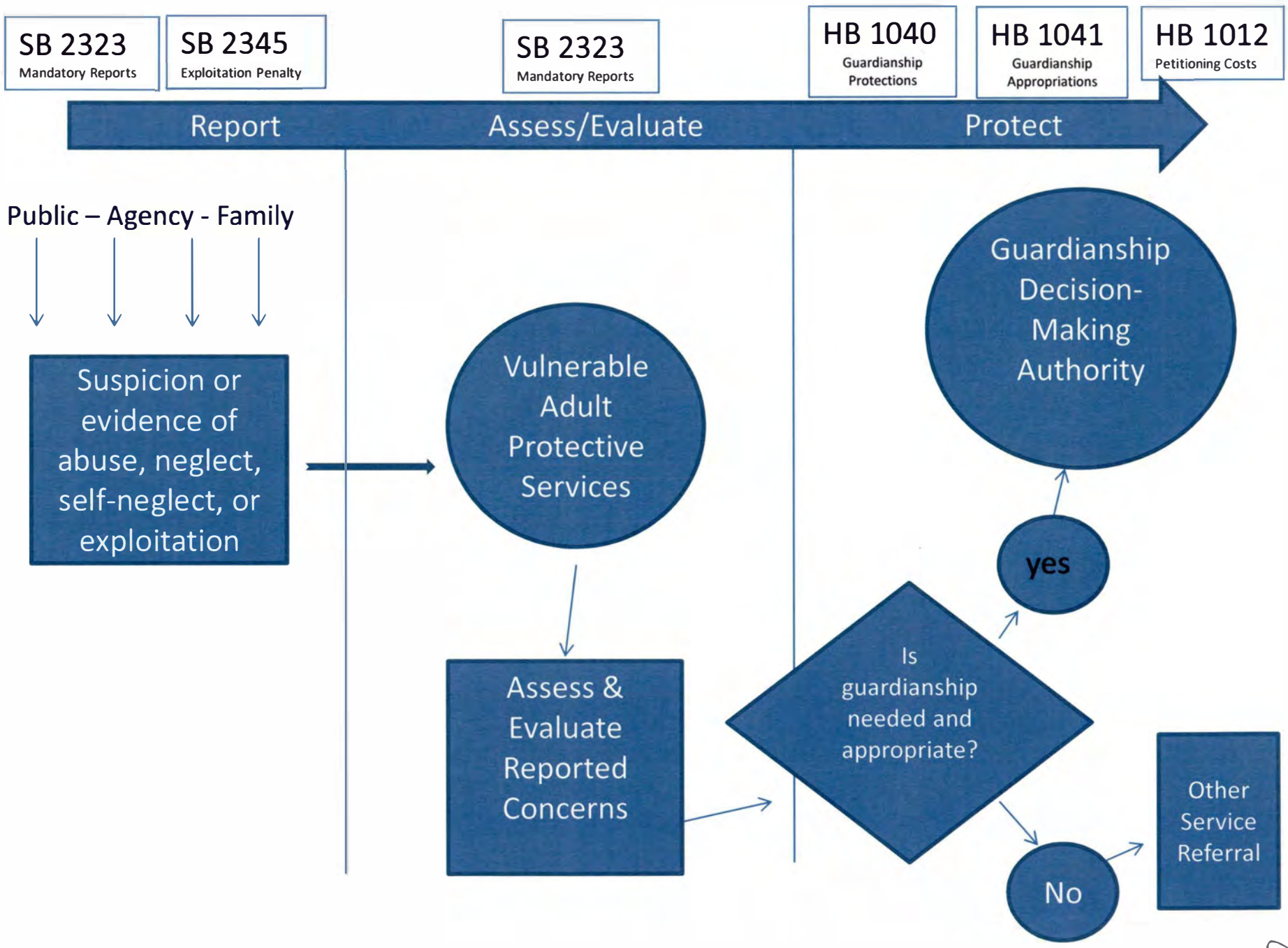
- **NORTH DAKOTA's** total population in 2000 was 642,200.
- **In 2000**, 118,985 (18.5%) persons in North Dakota were 60 years of age or older.
- **In 2000**, 16.3% of the U.S. population was 60 years of age or older.
- **In 2000**, fewer than 30% of persons in each of 43 counties in North Dakota were age 60 or older.
- **In 2000**, fewer than 20% of persons in each of 12 counties in North Dakota were age 60 or older.
- **In 2000**, only one county had more than 40% of its population age 60 or older.

SOURCE: File 2. Interim State Projections of Population for Five-Year Age Groups and Selected Age Groups by Sex: July 1, 2004 to 2030, U.S. Census Bureau, Population Division, Interim State Population Projections, 2005.

2020 (projected)



- **NORTH DAKOTA's** total population in 2020 is projected to be 630,112.
- **In 2020,** it is projected that 170,117 (27%) persons in North Dakota will be 60 years of age or older.
- **In 2020,** it is projected that 22.5% of the U.S. population will be 60 years of age or older.
- **In 2020,** only seven counties will have fewer than 30% of their population aged 60 or older. In two of those counties the percent of persons age 60 and older will be under 20%.
- **In 2020**, 22 counties will have more than 40% of their population aged 60 or older.
- **In 2020,** three counties will have more than 50% of their population age 60 or older.



HB 1012 - 3-11-13 pm.

4

Bill	HB 1040	ENGROSSED HB 1041	DHS Appropriation- ENGROSSED HB 1012
APPROPRIATIONS	$0	Section 1: $361,200 Section 2: $70,000	$1,000,000 REMOVED FROM THE BILL
RESPONSIBLE DEPARTMENT	Court System	OMB	DHS
SCOPE	Increases and strengthens processes tied to the rights of potential wards.	State funds grants to counties for guardianship and public administrator services.	$40,000 for establishment of guardianship remains in the DHS - Aging Services budget
WHO IS ELIGIBLE	All proposed wards	Eligibility criteris for services is established by the Department of Human Services to include setting incomes criteria at 100% of the federal	Persons with Traumatic Brain Injury, Mental Health or 60 years of age or older who are not DD eligible
WHAT IT PURCHASES/BUYS		Appropriates a sum of $361,200 to provide grants to counties for public or private guardianship services for new wards.	Funding to establish petitioning costs for 16 wards. COST = $40,000 (no more than $2,500 each)
			Requires ward to receive case management.
		Funding to Court to develop and deliver tutorial for new guardians.	
DIFFERENCES/ISSUES		Does not contain funding for petitioning costs.	

HB 1012 3-11-13 pm.

#9

Department of Human Services
Comparison of Guardianship Bills

Bill	HB 1040	ENGROSSED HB 1041	DHS Appropriation- ENGROSSED HB 1012	Original Bills: HB 1041	Original Bills: DHS Appropriation- HB 1012 Executive Budget
APPROPRIATIONS	$0	Section 1: $361,200 Section 2: $70,000	$1,000,000 REMOVED FROM THE BILL	Section 1: $1,657,100 Section 2: $70,000	$1,000,000
RESPONSIBLE DEPARTMENT	Court System	OMB	DHS	OMB	DHS
SCOPE	Increases and strengthens processes tied to the rights of potential wards.	State funds grants to counties for guardianship and public administrator services.	$40,000 for establishment of guardianship remains in the DHS - Aging Services budget	State funds grants to counties for guardianship and public administrator services.	This funding would be added to the historical $40,000 for guardianship.
WHO IS ELIGIBLE	All proposed wards	Eligibility criteria for services is established by the Department of Human Services to include setting incomes criteria at 100% of the federal poverty level.	Persons with Traumatic Brain Injury, Mental Health or 60 years of age or older who are not DD eligible	SMI, TBI, Person 60+, but not DD eligible.	All incapacitated, but not DD eligible. (NDCC 30.1-26-01)
WHAT IT PURCHASES/BUYS		Appropriates a sum of $361,200 to provide grants to counties for public or private guardianship services for new wards.	Funding to establish petitioning costs for 16 wards. COST = $40,000 (no more than $2,500 each)	Pays guardianship and public administrators $11.00 per day for existing 164 guardianship cases and 25 new cases in Year 1 of biennium COST = **$758,835**	Expands eligibility to match the incapacitated adult definition in NDCC 30.1-26-01.
				Pays $11.50 per day for the 189 cases paid in year 1 and adds 25 new cases in year 2. Total Cost in 2nd year for 214 cases. COST = **$898,265**	Establishes income criteria at 100% FPL.
		Funding to Court to develop and deliver tutorial for new guardians. COST = **$70,000**	Requires ward to receive case management.	Funding to Court to develop and deliver tutorial for new guardians. COST = **$70,000**	Requires ward to receive case management.
DIFFERENCES/ISSUES		Does not contain funding for petitioning costs.		Does not contain funding for petitioning costs.	Funding to establish petitioning costs for 86 wards. COST = **$215,000** (no more than $2,500 each)
					Funds both public or private guardianship services for new wards. The 1st year of the biennium would fund 43 new wards at $225/month =$116,100. The rate would increase to $250/month in year 2 of biennium, funding 43 existing wards at $250/month = $129,000, and adding 43 additional wards at $225/month = $116,100. Total Cost = **$361,200.** (Monthly rate is based on 2080 hours/annually)
					Contract with Court system to develop training and tutorial for new guardians. COST = **$75,000**
					Monitor newly established guardians of existing DHS staff. These operating costs include travel, per diem, etc. COST = **$5,800**
					Contract for three Vulnerable Adult Protective Services in 3 geographic areas @ $88,000/annually. The $383,000 general fund would be added to existing federal funds of $145,000 for a total of $528,000. COST in Bill= **$383,000**

#6A

HB 1012
3-11-13 - 2:00pm
public Testimony

10

Testimony
House Bill 1012 – Department of Human Services
Aging Services Budget
Senate Appropriations Committee
March 11, 2013

Chairman Holmberg and members of the committee, my name is Pat Hansen. I am the executive director of South Central Adult Services, in Valley City and I am also a member of the North Dakota Senior Service Providers, a group of agencies that provide Older Americans Act Services to the senior population of this state.

Each of you should have received a booklet entitled "Feeding Grandma" in the past few weeks. The booklet provides in-depth information about senior nutrition programs and why it is important and cost effective to support these programs financially with additional funding. The funding formula was discussed during Aging Services Testimony. The main funding formula is a combination of Federal Older Americans Act funds and required State dollars and is based on census data such as population, low income, minorities, rural persons etc. For this formula, Service Providers have no input on how the dollars are divided between regions. What providers were asked about, and did provide, was a selection of an **additional** formula to divide up the dollars the State has provided as Equalization Funds for Meals. The formula selected by the Providers was the one that did the least harm to the regions. Our goal in NDSSP has been, and will continue to be to try to increase and equalize the percent of meals that can be reimbursed so regions are on a more level playing field. The $800,000 increase for meals in the Governor's budget is wonderful and will take us from being reimbursed the basic unit rate for 82% of meals provided to 90%. That still leaves us $928,082 short statewide of being able to receive the basic unit rate reimbursement of $4.00 for all meals. If

there were adequate Federal and State funds for 100% of meals to be reimbursed, the funding could then be equitably distributed so all meals will be reimbursed the basic unit rate.

South Central Adult Services provides congregate and home delivered meals, outreach and transportation to Region VI which includes the counties of Barnes, LaMoure, Foster, Logan, McIntosh, Griggs, Stutsman, Dickey, Wells and Sheridan. South Central provided 172,466 congregate and home delivered meals, 8,379 billable and 3,782 non-billable units of outreach and 107,932 rides in 2012. **We provided 25,973 meals with no federal/state reimbursement.** At the $4.00 meal reimbursement rate for 2012 this is a shortfall of $103,892. This is true of projects across the State. Due to the new funding formula based on the 2010 census, we will receive even less funding in 2013. While we are still required to do home delivered and congregate meal assessments on all of our clients (we had 4,400 assessments in 2012) we are no longer receiving outreach funding and are expected to absorb this into the cost of the meals program. We are also dealing with the large increases in food costs. In order to maintain the current meal sites I have had to lay off 3 part-time employees and to use existing staff to fill vacant positions until we receive a determination on funding in this legislative session. If we are not going to be reimbursed for all of the services we provide we will be forced to close 4 to 6 of our 22 most rural sites. If this happens the State can expect much higher Medicaid expenses as many of these people will have to move from their communities into long term care facilities.

We really believe in what we do and are dedicated to helping to make North Dakota the best place possible to grow old in. We need your help to do that and ask

that you increase funding for meals in HB 1012 by the $928,082 needed to reimburse the $4.00 unit rate for all meals served statewide.

I have some extra copies of "Feeding Grandma" if you need one. If you have any questions, I would be happy to answer them. Thank you for your time in consideration of this testimony.

Provided by
North Dakota
Senior Service Providers
(NDSSP)

HB 1012 #11
3-11-13 2:00pm

Feeling Grandma

> “I come to our local senior meal site every day. I know I will receive a hot, well-balanced meal which I can no longer prepare for myself. Going to the meal site gives me a reason to get up everyday and get dressed.”
>
> — Eileen, Rugby, N.D.

Table of Contents

If You Only Have Five Minutes	Page 1
The Aging of North Dakota	Page 2
The Elderly Nutrition Program	Page 3
North Dakota Senior Service Providers	Page 4
Statement of the Problem	Page 5
Fact Statement #1	Page 6
Fact Statement #2	Pages 7-8
Fact Statement #3	Page 9
Fact Statement #4	Pages 10-11
Conclusion	Page 12
References	Page 13
Facts: Elderly Nutrition Program	Pages 14-15
Call to Action	Page 16
State Funds Needed	Page 17

If you only have five minutes, read this . . . .

We are North Dakota Senior Service Providers (NDSSP) and one of the things we feel most passionate about is **Feeding Grandma** (and Grandpa too).

Feeding Grandma is our campaign to educate legislators about the Nutrition Programs we provide to older adults in the state of North Dakota and why it is important to support these programs.

Our Nutrition Programs are made up of two parts:

- **Senior Dining**: where older adults gather together for nutritious meals and fellowship (in government-speak we call this Congregate Meals)
- **Home-Delivered Meals**: meals delivered to homebound older adults (often referred to as Meals on Wheels)

Why **Feed Grandma**?

- Grandma wants to remain in her home as long as possible and our Nutrition Programs help her do that
- Feeding Grandma nutritious meals keeps her healthy
- Keeping Grandma healthy keeps her out of the hospital and the nursing home
- Keeping Grandma out of the hospital and nursing home saves our state a lot of money in reducing Medicaid costs
- Saving our state a lot of money saves us all in taxes and, of course, helps Grandma

It makes financial sense to Feed Grandma and it's the right thing to do. Currently in the state of North Dakota, those agencies which provide meals to Grandma and Grandpa do not get paid for all the meals they provide. This needs to change.

We need your support to fund a basic unit rate for ALL senior meals in the Department of Human Services budget.

This is the gist of it, my friend.

For the numbers that back up why it makes sense to **Feed Grandma**, read on.

The Aging of North Dakota

America and its communities, including the state of North Dakota, are aging and aging rapidly. The baby boomer generation, born between 1946 and 1964, is reaching retirement age. One third of the total population of North Dakota is part of the baby boomer generation (Rathge, 2007). Such a demographic shift will increase the number of people over the age of 60. As people live longer, the number of people over the age of 85 is also increasing. North Dakota is already seeing significant increases in the oldest-old population. From 2000 to 2010, the number of people over the age of 85 grew 13.3%; however, the number of North Dakotans age 90 and over grew 23.4%. This information is important because people over the age of 85 are the most likely to need the support of family, friends, and the community to remain living independently (National Association of Area Agencies on Aging & MetLife Foundation, 2007).

The Aging of North Dakota

Age Group	2000 Census	2010 Census	Difference	% Change
60 and older	118,985	133,350	14,365	12.1%
85 and older	14,726	16,688	1,962	13.3%
90 and older	5,271	6,505	1,234	23.4%

Information provided by State Data Center, NDSU, May 2012.

"I am now a widow and am going to be 82 in two months. When I go there (the Senior Center meal site), I know I'll get a good nutritional meal. Just as important, I get to eat with other people and visit."

— Gerry, Ellendale, N.D.

The Elderly Nutrition Program

What is it?
What's its purpose?
Who does it serve?

The **Elderly Nutrition Program (ENP)** was enacted in 1965 via the Older Americans Act (OAA) Title III and funding flows to the state from the Administration on Aging (AoA) (see Administration on Aging Elderly Nutrition Program fact sheets on pages 14-15).

The purpose of the Elderly Nutrition Program is to:

- Reduce hunger and food insecurity
- Promote socialization of older individuals
- Promote the health and well-being of older individuals and delay adverse health conditions through access to nutrition and other disease prevention and health promotion services

The Elderly Nutrition Program consists of two primary components:

- **Congregate Nutrition Services** (providing nutritious meals for seniors in a social, group setting)
- **Home-Delivered Nutrition Services** (providing meals for homebound seniors)

The nutrition programs are required to give priority for services to the following older adults:

- Those residing in rural areas
- Those with greatest economic need
- Those with greatest social need
- Those with severe disabilities
- Those with limited English proficiency
- Those with Alzheimer's disease and related disorders with neurological and organic brain dysfunction and the caregivers of such individuals
- Those at risk for institutional placement

North Dakota Senior Service Providers

Who are we?
Who do we serve?

North Dakota Senior Service Providers (NDSSP) is comprised of agencies which provide services to older adults across the entire state of North Dakota. Here is a list of the member agencies of NDSSP which provide both congregate and home-delivered meals at the local level.

Region 1
- Williston Council for the Aging

Region 2
- Minot Commission of Aging
- Kenmare Wheels & Meals, Inc.
- Tri County Senior Meals & Services, Rugby

Region 3
- Senior Meals and Services, Inc., Devils Lake
- Cavalier County Senior Meals & Services
- Nutrition United Inc. /RCSMS, Rolla

Region 4
- Greater Grand Forks Senior Citizens Assoc., Inc.
- Pembina County Meals & Transportation
- Walsh County Nutrition Program

Region 5
- Valley Senior Services, Fargo

Region 6
- Dickey County Senior Citizens
- James River Senior Citizens
- South Central Adult Services, Valley City

Region 7
- Mandan Golden Age Services
- Burleigh County Senior Adults Program
- Kidder Emmons Senior Services
- Mercer McLean Counties Commission on Aging

Region 8
- Elder Care, Dickinson

Statement of the Problem

Currently there are **183 meal sites** in North Dakota serving **13,994 congregate clients** and **5,030 home-delivered meal clients** (Hague, 2012). In federal fiscal year 2011, **686,631 congregate meals** and **480,547 home-delivered meals** were provided across the state by NDSSP agencies (Hague, 2012).

North Dakota Senior Service Providers (NDSSP) receive basic unit rate **funding for only 82% of the meals we provide**. We **need to be reimbursed for ALL of the meals** we provide just as many other agencies and nursing homes are reimbursed for all of their services.

The following research will show that providing meals to seniors keeps them healthier and helps them to remain in their home setting and out of costly nursing homes, thus **saving the state Medicaid dollars in the long run**. It will also show funding has not kept up with meal costs, thus putting these programs in jeopardy of cuts, waiting lists, or elimination.

"Meals on Wheels helped my mom live independently in her home until she was 99 1/2 years old. What a wonderful service!"

— Jim, Fargo, N.D.

FACT STATEMENT #1

Congregate & home-delivered meals are cost effective

> "The cost of one day in the hospital is equal to one year of Home Delivered Meals."
>
> (Wunderlich, Bai, & Piemonte, 2010)

Many of the chronic health conditions which result in frailty and disability, loss of independence, and reduced quality of life in older adults are preventable at a low cost through lifestyle interventions incorporating proper nutrition and physical activity (Wunderlich et al, 2010). Clearly preventive services, such as those provided by NDSSP, are crucial for saving valuable health and long-term care dollars. **The more successful we are at providing nutritious food to older adults in their homes, where they prefer to be, the less money we will spend overall** (U.S. Committee on Health, Education, Labor and Pensions: Subcommittee on Primary Health and Aging, 2011).

The congregate meal program has been found effective in improving physical health, emotional health, and the quality of life of the older adult population (Wunderlich et al, 2010). An analysis by AoA confirms that OAA Title III services play an important role in helping elderly adults remain living independently in the community (Altshuler & Schimmel, 2010). In fact, **ninety-one percent of home-delivered meal clients report that meals allow them to remain in their homes** (Pilot Study, 2004). Agency surveys across the state also support this high percentage (GF Senior Center, 2011). Inversely, the lack of good food assistance and nutrition programs may lead to increased disability and the use of additional expensive services (U.S. Committee on Health, Education, Labor and Pensions: Subcommittee on Primary Health and Aging, 2011).

> "I definitely feel the Meals on Wheels program helped keep my parents in their home an additional 2 to 3 years before they entered a nursing home."
>
> — Larry, Minot, N.D.

FACT STATEMENT #2

Good nutrition is important for successful aging

Food security is the knowledge that food is available to you. On the other hand, food insecurity is the very real threat of hunger. Food insecurity is associated with a host of poor health outcomes; while food security and good nutrition are key factors in successful aging. Together they help reduce disease-related disability, promote health and active engagement with life, and support increased mental and physical functioning (State Units on Aging, (SUA), 2006). Research shows consuming a healthy diet and being physically active are more important than genetic factors in avoiding the declines associated with aging (SUA, 2006). The role of nutrition in maintaining the health of older adults involves both the prevention of malnutrition and the management of common chronic disease conditions.

North Dakota has the lowest rate of senior hunger in the nation at 5.52% (Ziliak & Gundersen, 2012). Our state has done a good job of offering over 180 meal sites across the state. However, this does not mean that senior hunger doesn't exist. **Out of those North Dakota seniors who face the threat of real hunger, the majority have incomes <u>above</u> the poverty line. These seniors are younger and they are white** (Ziliak & Gundersen, 2012). The challenges of our current economy, physical or mental disabilities, and a changing economic climate in the western part of the state are just some of the factors which place older adults at risk for hunger. For hundreds of older North Dakotans, the meals provided by the Elderly Nutrition Program may be their primary source of food (Ziliak & Gundersen, 2012).

Nutritional status is closely associated with an older person's ability to function and remain independent. The goal of improving nutritional status through adequate dietary intake is to prevent the occurrence of malnutrition which occurs in both underweight and obese individuals (Institute of Medicine, 2000). Malnourished older adults have limited muscle strength, more exhaustion and reduced physical activity, placing them at risk for falls and hip fractures (Sharkey, 2004). Unaddressed, malnutrition and the fractures it causes result in nursing home placement in many cases (Institute of Medicine, 2000).

Nutrition keeps older adults healthier by reducing the risk of chronic diseases and related disabilities. Nutrition is central to chronic disease treatment and management. All top nine chronic health conditions in older adults (heart disease, hypertension, stroke, emphysema, asthma, chronic bronchitis, cancer, diabetes, and arthritis) have dietary and nutritional implications. Obesity is a risk factor for many of these chronic conditions. Obese older adults are more likely to become disabled and

report difficulties with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs) which impact their functional independence (Reynolds, Saito & Crimmins, 2005).

Informal, unpaid family caregivers are another group of people affected by malnutrition. These caregivers provide a critical function in our state: they provide the majority of care for underserved populations, including those seniors residing in rural settings, those seniors suffering from dementia, and those seniors receiving hospice care. **The caregiver must be concerned with his or her own nutritional status as well**, but so often the stress of caregiving may place him/her at malnutrition risk through skipped meals or unhealthy meals and inattention to the management of one's own chronic diseases or conditions. **The ability for the caregiver and care recipient to receive nutritious meals delivered to the home relieves one burden from the caregiver**.

Because NDSSP is part of the OAA Title III Elderly Nutrition Program (ENP), we comply with the latest edition of the *Dietary Guidelines for Americans* and the *Dietary Reference Intakes*. These menu requirements recognize the specific nutrient requirements of an aging population. ENP meal programs target older high-risk populations such as low income, rural, and minority populations. Because of this, these clients have significantly better nutrient intakes than those not receiving services (Institute of Medicine, 2000). The ability to provide meals tailored to older adults helps prevent nutritional deficiency, reduces the risk of chronic diseases, and improves health over the long term (SUA, 2006).

"If I didn't eat here, I'd just cook wieners for lunch. I would not cook for just myself. I like the diversity of lunch mates. I tell people you can't go to the store and get a piece of meat for what the meal costs here."

— Sharon, Bismarck, N.D.

FACT STATEMENT #3

Money is saved by the state because NDSSP clients, many whom are candidates for expensive nursing home placement, are receiving community-based nutrition services which allow them to remain at home.

Altshuler and Schimmel (2010) identified the following factors as leading to increased risk of nursing home entry:

- *Demographic characteristics:* Older individuals and those who are non-Hispanic white
- *Socioeconomic characteristics:* Individuals with low incomes
- *Health status and physical functioning:* Those with certain health conditions (such as cognitive impairment, cancer, high blood pressure, diabetes, and a history of strokes and falls) and those who have difficulty performing Activities of Daily Living (ADLs)
- *Prior healthcare utilization:* Individuals who have spent time in the hospital or in a nursing home
- *Living arrangements and family structure:* Those who live alone (including widowed and divorced individuals), do not own their own home, and have fewer children
- *Availability of support:* Individuals who lack caregiver support

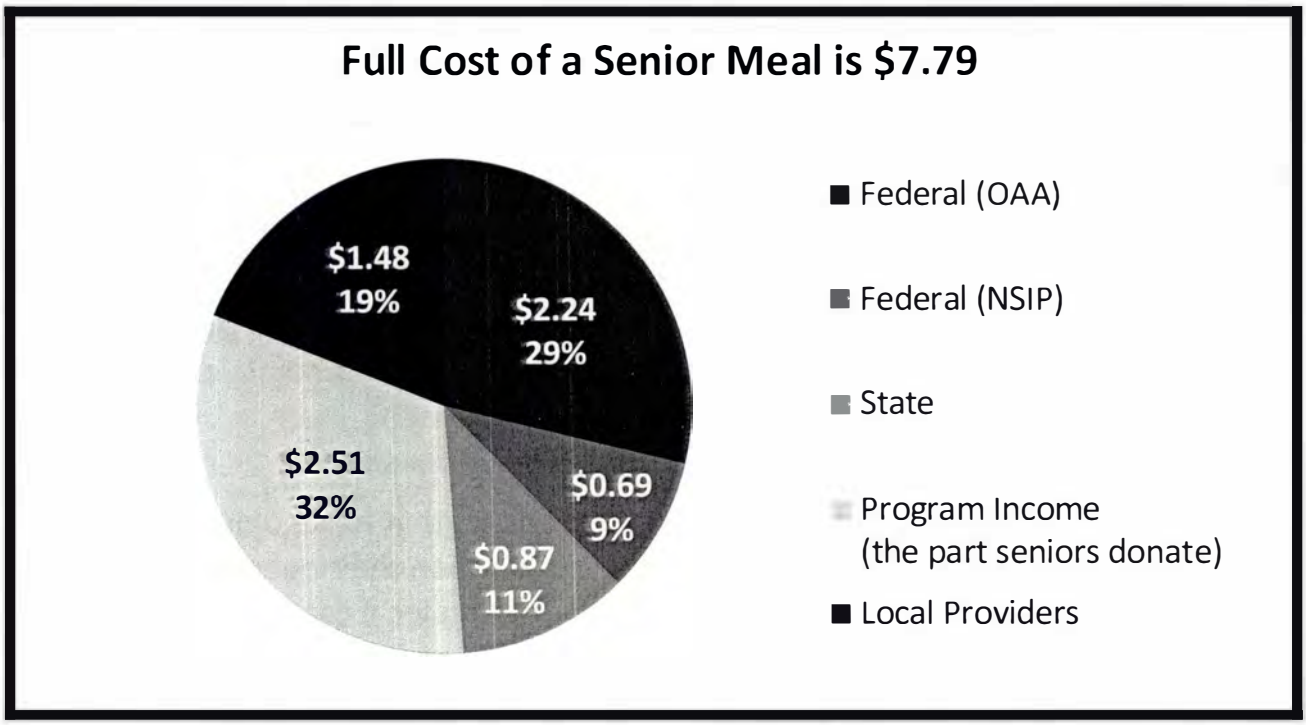
Title III participants share many of the characteristics that make older adults more vulnerable to nursing home admission. They are older than their peers; more likely to live in poverty, live alone, and not be married; have no local caregiver; and have multiple health conditions (Barrett & Schimmel, 2010). In federal fiscal year 2011, 345 of the 5,030 home-delivered meal clients in North Dakota scored as nursing home eligible AND Medicaid eligible (Hague, 2012). The average cost of a year of North Dakota nursing home care is $71,000 (ND Insurance Dept., 2012). Consider the tremendous savings by keeping these seniors at home where they want to be.

The Medicaid cost to the state for nursing home care for these 345 people would have been $24.5 million in 2011.

FACT STATEMENT #4

Funding for meals is lagging behind ever-increasing costs and the long-term aging of the population

The average full cost to provide a senior meal was $7.79 in 2011 (Hague, 2012). Below is a chart identifying where the money came from in 2011 for these senior meals.



The average cost of a senior meal has increased 29% in the past five years. While the state has added additional funding in the 2009 & 2011 state legislative sessions, it has not been enough to keep up with inflation.

In federal fiscal year 2011, 686,631 congregate meals and 480,547 home-delivered meals were provided across the state. Of these meals, **over 80,000 meals received no federal or state funding**. **In 2012, that number will jump to 215,000 meals** due to a change in the state unit rate. Why is this important? With a significant increase in the aging population, **local agencies are finding they cannot keep up with increasing costs without assistance**.

We look to the state as a natural partner in helping us to meet this need due to the savings the state will realize in Medicaid spending.

Without sufficient funding to provide a basic unit rate for ALL of the meals we serve, agencies will have to set limits on the number of meals we can provide, implement waiting lists, or even close some meal sites. All of this will affect the ability of the senior population to age at home. As our senior population continues to grow, we need to work collaboratively in a proactive way so essential services will not be cut. This will help seniors remain in their homes and out of costly nursing homes as long as possible.

"We wanted Mom to be able to have something she could just pop in the microwave and eat. We were worried she was forgetting to eat or she would just eat cereal."

— Kathleen, Grand Forks, N.D.

Kathleen's mom, Rose from Larimore, received frozen meals as part of the home-delivered meals program for people in rural areas

---

Conclusion

For over forty years, the AoA Older Americans Act Title III Elderly Nutrition Programs have provided North Dakota older adults with the nutrition resources they need to remain where they want to be — healthy and in their own homes. The state has always been fiscally conservative. An increase in the state funds needed to support a basic unit rate for all meals served in the congregate and home-delivered meal program is a fiscally conservative step to take.

Please do not underestimate the value and cost-effectiveness of a relatively small investment into the state nutrition programs that prevent or mitigate extremely costly expenditures in Medicaid.

Providing adequate food to older adults is a vital service which will ensure our parents and grandparents can remain independent for as long as possible. Furthermore, at a time when rising costs are a growing concern,

funding nutrition programs is a commonsense state investment that will reduce the burden on the Medicaid program.

These vital nutrition programs have been extraordinarily successful in specifically targeting the needs of a diverse range of urban and rural communities across the state both in home-delivered and congregate meal settings. They remain the most cost-effective way to support a dignified, healthy retirement for thousands of our state's senior citizens. Please do all you can to support **Feeding Grandma.**

See page 17 for the "Older Americans Act Nutrition Services Increases in State Funds Needed for the 2013-15 Biennium." This worksheet shows the necessary additional state funding needed to provide a basic unit rate for all meals served in the congregate and home-delivered meal programs.

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Elderly Nutrition Program

FACTS

These two pages were taken directly from the Administration on Aging website (www.aoa.gov)

Elderly Nutrition Program

INTRODUCTION

With the aging of the U.S. population, increased attention is being given to delivering health and related services to older persons in the community. Since adequate nutrition is critical to health, functioning, and the quality of life, it is an important component of home and community-based services for older people.

ELDERLY NUTRITION PROGRAM

The Administration on Aging's (AoA) Elderly Nutrition Program provides grants to support nutrition services to older people throughout the country. The Elderly Nutrition Program, authorized under Title III, Grants for State and Community Programs on Aging, and Title VI, Grants for Native Americans, under the Older Americans Act, is intended to improve the dietary intakes of participants and to offer participants opportunities to form new friendships and to create informal support networks. The legislative intent is to make community-based services available to older adults who may be at risk of losing their independence.

The Elderly Nutrition Program provides for congregate and home-delivered meals. These meals and other nutrition services are provided in a variety of group settings, such as senior centers, faith-based settings, schools, as well as in the homes of homebound older adults. Meals served under the program must provide at least one-third of the recommended dietary allowances established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, as well as the Dietary Guidelines for Americans, issued by the Secretaries of Departments of Health and Human Services and Agriculture. In practice, the Elderly Nutrition Program's 3 million elderly participants are receiving an estimated 40 to 50 percent of required nutrients from meals provided by the Program.

The Elderly Nutrition Program also provides a range of related services through the aging network's estimated 4,000 nutrition service providers. Programs such as nutrition screening, assessment, education and counseling are available to help older participants meet their health and nutrition needs. These also include special health assessments for such diseases as hypertension and diabetes.

Through additional services, older participants learn to shop, plan, and prepare nutritious meals that are economical and enhance their health and well-being. The congregate meal programs provide older people with positive social contacts with other seniors at the group meal sites.

Volunteers and paid staff who deliver meals to homebound older persons often spend some time with the elderly, helping to decrease their feelings of isolation. These volunteers and paid staff also to check on the welfare of the homebound elderly and are encouraged to report any health or other problems that they may note during their visits.

AoA
Administration on Aging

Elderly Nutrition Program

FACTS

In addition to providing nutrition and nutrition-related services, the Elderly Nutrition Program provides an important link to other needed supportive in-home and community-based services such as homemaker-home health aide services, transportation, physical activity programs, and even home repair and home modification programs.

ELIGIBILITY

Under Title III, Grants to State and Community Programs on Aging, a person must be 60 years of age to be eligible. While there is no means test for participation in the Elderly Nutrition Program, services are targeted to older people with the greatest economic or social need, with special attention given to low-income minorities and rural older people.

In addition to focusing on low-income and other older persons at risk of losing their independence, the following individuals may receive service including:

- A spouse of any age;
- Disabled persons under age 60 who reside in housing facilities occupied primarily by the elderly where congregate meals are served;
- Disabled persons who reside at home and accompany older persons to meals; and
- Nutrition service volunteers.

Since American Indians, Alaskan Natives, and Native Hawaiians tend to have lower life expectancies and higher rates of illness at younger ages, Tribal Organizations, funded under Title VI, Grants for Native Americans, are given the option of setting the age at which older people can participate in the program.

In 2003, the Administration on Aging funded *Pilot Study: First National Survey of Older Americans Act Title III Service Recipients* which showed that services provided by the Departments of Health and Human Services and Agriculture. In practice, the Elderly Nutrition Program's 3 million elderly participants are receiving an estimated 40 to 50 percent of required nutrients from meals provided by the.

NATIONAL AGING SERVICES NETWORK ARE:

- Highly rated by recipients;
- Effectively targeted to vulnerable populations;
- And provide assistance to individuals and caregivers, which is instrumental in allowing older persons to maintain their independence and avoid premature nursing home placement.

THIS STUDY ALSO FOUND THAT HOME-DELIVERED NUTRITION SERVICES ARE:

- Effectively targeted to vulnerable populations, the majority of whom either lived alone, or were poor or near poor, were over 75 years old and/or had difficulty with activities of daily living (ADLs) – such as eating, dressing or walking;
- Successfully targeted to the socially isolated, about one-half reported that they would like to do more with respect to their social activities. This rate is more than twice the rate for the general older population;
- And high quality and reliable in the perception of the service recipient

MEALS ARE PROVIDED TO INDIVIDUALS WHO NEED THEM MOST:

- 73% were at high nutritional risk; 25% were at moderate risk.
- 62% received one half or more of their daily food intake from their home delivered meal.
- 25% reported they did not always have enough money or food stamps to buy food.

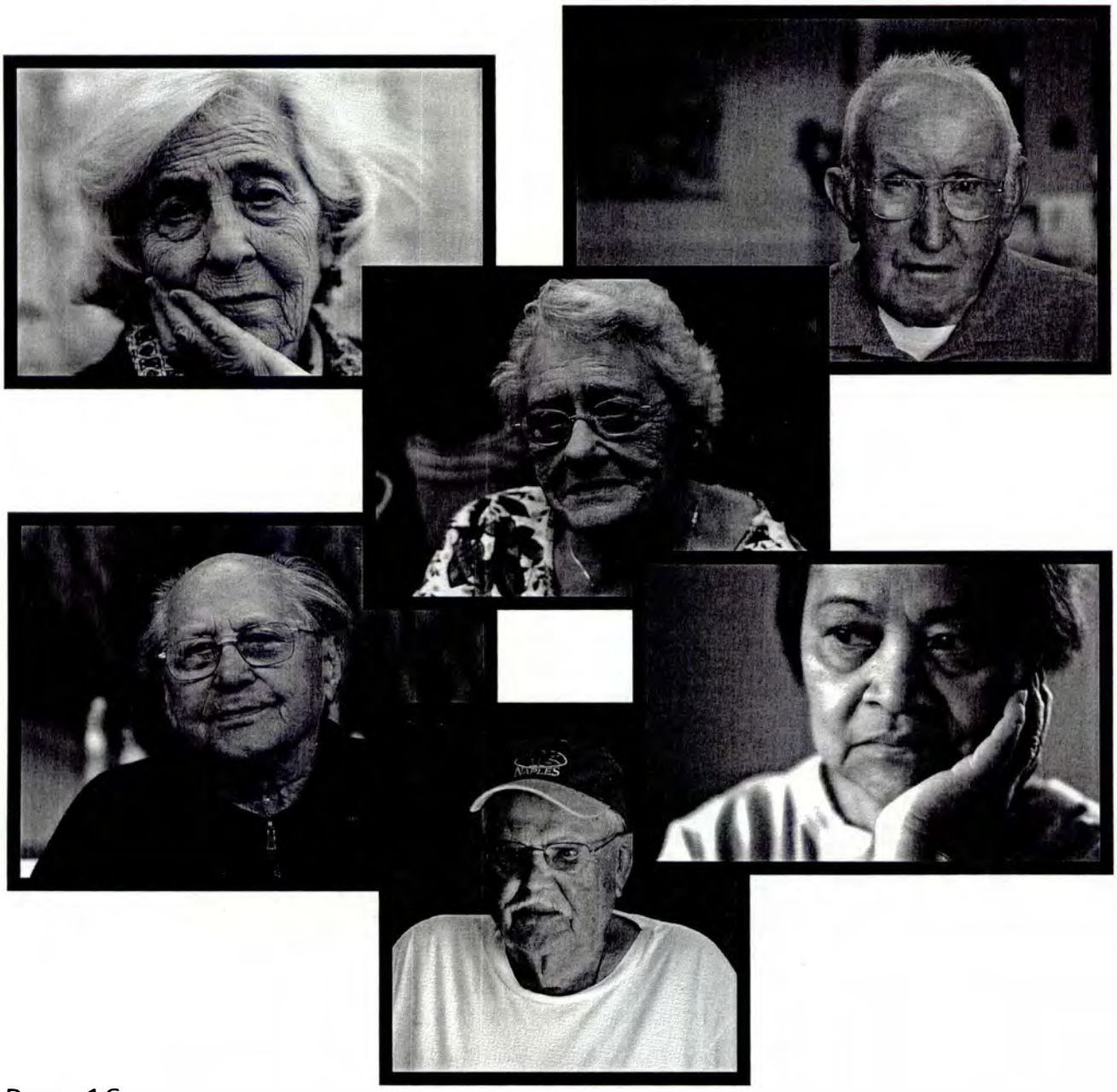
FOR MORE INFORMATION ABOUT AOA
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, ADMINISTRATION ON AGING, WASHINGTON DC 20201
PHONE: 202.619.0724 | FAX: 202.357.3555 | EMAIL: AOAINFO@AOA.GOV | WEB: HTTP://WWW.AOA.GOV
FACEBOOK: HTTP://WWW.FACEBOOK.COM/AOA.GOV

Administration on Aging

Call to Action

If you only have five minutes, take action to **reduce Medicaid spending** and to **support a basic unit rate for ALL meals served** in the congregate and home-delivered meal programs.

Thank you!



State Funds Needed for the 2013-15 Biennium

OLDER AMERICANS ACT NUTRITION SERVICES **July 2012**

INCREASES IN STATE FUNDS NEEDED FOR THE 2013-15 BIENNIUM

Statement of Purpose: Title III Older Americans Act Service Providers need to be paid the base unit rate of $4.00 for ALL eligible meals that are provided statewide. The current amount of Federal-State money is not sufficient to pay for all meals. Note: The meal rate set by the state only covers part of the total cost of the meals, local match is required for each meal provided. Voluntary contributions from clients and additional local funds cover the rest of the cost of each meal provided.

Figures used in this document come from the most recent Aging Services State Program Report dated October 1, 2010 - September 30, 2011(page 22).

1. Federal and State Funds Needed to Pay for All Meals

SERVICE	NUMBER OF MEALS PROVIDED October 2010 - Sept 2011	UNIT RATE PER MEAL AS SET BY THE STATE	TOTAL FED - STATE FUNDS NEEDED
Congregate Meals	686,631	$4.00	$2,746,524
Home Delivered Meals	480,547	$4.00	$1,922,188
Federal/State Funds Needed to Pay a Unit Rate for All Meals			**$4,668,712**

2. Federal and State Money Available For the Same Period

Congregate Meals	Federal Money	$1,705,089
Home Delivered Meals	Federal Money	$912,248
State Funds to Providers-Current (1/2 of $1,174,668)	State Money	$587,334
State Funds for Meals (1/2 of $1,200,000)	State Money	$600,000
Total Federal and State Meal Funds Expected for One Year		**$3,804,671**

3. Shortfall in State Funds Needed to Pay for all Meals - 1 yr	**($864,041)**
4. Shortfall in State Funds Needed to Pay for Meals - Biennium	**($1,728,082)**
5. Current Line Item for State Funding for Meals (2011-13 Budget)	**$1,200,000**
6. Shortfall in State Funds Needed to Pay for Meals -Biennium	**$1,728,082**
7. TOTAL LINE ITEM NEEDED FOR STATE FUNDS FOR MEALS	**$2,928,082**

Document from North Dakota Senior Service Providers, July 2012

North Dakota Senior Service Providers *c/o Ken Tupa, APT*
PO Box 2264, Bismarck, ND 58502-2264
Phone 701-224-1815 Extension 2 *Cell 701-319-6666*
e-mail: ktupa@aptnd.com

"I don't have a car and it makes it hard to get to the grocery store often. Senior meals provide me with a well-balanced meal 5 days a week. They deliver the meal to my door which is convenient. The meals help me stay in my home and help me by doing the cooking for me. I'm a bachelor and never learned how to cook a well-balanced meal."

— Larry, Towner, N.D.

"For many years I had health problems where I could not eat certain things. I had to watch what I ate. Eating good is important to me. I grew up that way. My family ate plain, nutritious food."

— Violet, Bismarck, N.D.

Written by Colette Iseminger, MS, RD, LRD
Grand Forks Senior Center
PH: 701-772-7245; director.gfscc@midconetwork.com
North Dakota Senior Service Providers (NDSSP)
July 2012

HB 1012
3-11-13
2:00 pm
Public Testimony
#12

HB1012- AGING SERVICES COMMENTS
Monday March 11, 2013
Senate Appropriations
Josh Askvig- AARP-ND
jaskvig@aarp.org or 701-989-0129

Chairman Holmberg, members of the Senate Appropriations, I am Josh Askvig, Associate State Director of Advocacy for AARP North Dakota. We stand in support of the elderly nutrition programs funding contained in the Aging Services Budget request contained in HB1012.

ELDERLY NUTRITION PROGRAMS FUNDING

As you know, the Governor included $800,000 in his budget to enhance elderly nutrition services like congregate meals, home delivered meals, nutrition education and nutrition counseling. AARP strongly supports efforts to eliminate senior hunger and isolation. That is why the AARP Foundation has partnered with Jeff Gordon in the Drive to End Hunger program, which works to fight older adult hunger (drivetoendhunger.org).

The enhanced funding for meals and nutrition programs, along with efforts like the Drive to End Hunger are an important aspect to fight against senior malnutrition and hunger. This increased funding is a step towards ensuring that counties are able to meet the needs of its citizens.

Additionally, as Jan Engan, director of the ND DHS Aging Services Division said in her brief overview to you on these programs- these nutrition programs are a vital part of home and community based services (HCBS). We know from a 2011 survey of 50+ North Dakotans, that one of the top concerns of aging citizens is how they will remain in their homes safely as they age. Providing programs like home delivered or congregate meals is an important component of HCBS services.

We strongly support this funding and urge to you maintain it in this bill.

Thank you for the opportunity to present our views on the items contained in the Aging Services Division budget.

HB 1012
3-11-13-pm. #13
Public Testimony
(no oral Testimony)

March 11, 2013

Testimony in support of
HB 1012 – Department of Human Services

Senator Holmberg and Members of the Senate Appropriations Committee, the Creating a Hunger Free North Dakota (CHFND) Coalition is a statewide network of organizations, agencies and individuals established to collectively identify and address unmet food and hunger needs and their underlying causes.

The Creating a Hunger Free North Dakota Coalition supports the elderly nutrition programs for their roles in helping to provide quality, safe and adequate food, opportunities for socialization and their role in helping people to remain living in their own homes and communities.

The following CHFND Coalition members:

- AARP North Dakota
- Great Plains Food Bank
- North Dakota Academy of Nutrition and Dietetics
- North Dakota Department of Human Services – Aging Services Division
- North Dakota Department of Human Services – Supplemental Nutrition Assistance Program
- North Dakota Economic Security and Prosperity Alliance
- United Tribes Technical College Extension and Nutrition and Foodservice Programs

support, at minimum, the additional funding of $800,000 included in the NDDHS budget submitted by the Governor to help our seniors access adequate foods for the following reasons:

- **It is estimated that five and one-half percent of seniors in our state are food insecure**[i]. Food insecurity means not having regular access to enough nutritious food for a healthy life. Access to nutritious food includes being able to get to a source of food like a supermarket, food store, or restaurant, and having sufficient financial resources to purchase it.

HB 1012 - 3-11-13 pm #13

- **Older adults who experience food insecurity are more likely to have lower intakes of key nutrients necessary for leading healthy and fully functioning lives.** The seniors who built our great state wish to remain living independently in their own homes for as long as possible, and these food and nutrition programs help to ensure that this happens.

- **Food prices are expected to increase three to four percent in 2013 after increasing two to three percent in 2012**[ii]. Meeting the increasing costs of food in addition to providing competitive wages for the people who prepare these important meals is becoming increasingly difficult.

Please consider authorizing funding the public side of these public/private joint efforts. Doing so will help our most vulnerable North Dakotans achieve food and nutrition security. We urge the committee to capitalize on this opportunity available to us today to invest in improving the quality of life for North Dakota's elders.

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[i] Meals on Wheels Research Foundation, 2010

[ii] USDA Economic Research Service, December 2012
http://www.ers.usda.gov/data-products/food-price-outlook/summary-findings.aspx

14

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Shari Doe, Director of the Children and Family Services Division of the Department of Human Services. I am here today to provide you an overview of Division of Children and Family Services (CFS) for the Department of Human Services.

This Division provides leadership for the child welfare system in North Dakota.

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 assessments, case management, child fatality review, institutional child protection services, and child abuse and neglect prevention programs.

- **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 team decision making, family group conferencing, and safety/permanency funds to prevent placement. This program places emphasis on preventing removal of children from their homes.

- **Foster Care Services**: provides a substitute temporary living environment for children who cannot safely remain with their families.

Services include recruitment and retention of foster homes, and licensing and placement services for relative homes, family foster homes, group homes, residential child care facilities and licensed child placing agencies. This also includes foster care eligibility determination and payment, case planning and reviews, subsidized guardianship, and Interstate Compact on the Placement of Children, and services for Unaccompanied Minors. In addition, foster care offers Chafee Independent Living services to youth ages 16 to 21 to assist with assessment, skill building, employment training, and education 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 (adoption related), licensure of Maternity Homes, and the Interstate Compact on the Placement of Children for Adoption.

- **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 with other early childhood stakeholders and agencies through the Head Start Collaboration Office.

All these services are provided either by the county social service agencies or through contracts with non-profit providers with a focus on the safety, permanency, and well-being of children and their families.

Caseloads/Customer Base

The numbers of **Child Abuse and Neglect** assessments completed for federal fiscal year (FFY) 2012 was 3,761, a decrease of thirty-seven from FFY 2011.

Family Group Decision Making (FGDM) is available in all county social service agencies and the Division of Juvenile Services. This service brings family members and other community and agency support people to the table to develop a permanency plan for children who are either in foster care, at risk of being placed in foster care, or being cared for by their extended family. This also brings significant people in the lives of a child (ren) together to discuss how to maintain and build family connections. A total of 102 FGDM conferences were completed from May 2011 to June 2012.

Family Team Decision Making (FTDM) is currently provided in Burleigh/Morton, Cass, and Grand Forks county social service agencies. FTDM provides an opportunity either immediately prior to placement or immediately upon removal of a child to bring families, community supports and agency personnel to the table with a neutral facilitator to make plans and seek opportunities and resources to maintain child safety and reduce the need for removal. This differs from Family Group Decision Making in that it is an expedited process that happens more quickly to address emergent issues such as emergency removals. FTDM has proven to be a promising practice with positive outcomes targeted at reducing foster care placements by keeping children safely in their home or with relatives and enhancing the engagement of parents in protecting and maintaining relationships with their children. A total of 149 FTDM conferences were held from May 2011 to June 2012 in the piloted counties. In 58 percent of the FTDM conferences the planned outcome was that the child would remain

with the parent or live with a relative rather than go into a foster care placement.

The number of children in **foster care** on September 30, 2012 was 1018 in comparison to the number of children in foster care on September 30, 2011 which was 1107. Approximately 30 percent of these children were Native American.

The number of children, as of November 2012, placed in **out-of-state Residential Child Care Facilities (RCCF) and Psychiatric Residential Treatment Facilities (PRTF) was 50**. This number is an increase from 2011 when the number was 48.

Preliminary findings show the number of youth who participated or are participating in the **18+ Continued Foster Care** program since January 2012 is approximately 30. As per program eligibility requirements, these youth were all age 18 or older who either chose to remain in foster care or to return to foster care within six month from their last discharge date.

The number of current and former foster care youth who received **Chafee Independent Living** services in FFY 2012 was 415. Over 75 percent (309) of the youth participants were Foster Care Alumni (youth who had exited or aged out of foster care and youth still in care who are likely to age out of foster care).

The number of foster children gaining permanency through **adoption** has increased over the last three years and this trend is projected to continue through the 2013 to 15 biennium. Of the 127 finalized public agency adoptions in FFY 2012, 125 (98.4 percent) were special needs adoptions with 92 (72.4 percent) of these children adopted by foster parents.

The number of **subsidized guardianships** approved as of November 2012 was 62. This compares to 58 subsidized guardianships approved in November 2011.

The **Refugee Services Program** presently has 33 youth receiving foster care services as unaccompanied minors. This number has remained steady since January 2011.

Program Trends/Major Program Changes

CFS continues to place an emphasis on safety, permanency, and well-being of children across all programs. **Foster care services** continue to see the most significant program changes in the division. The *Child and Family Services Improvement and Innovation Act* (P.L. 112-34) was signed into law in September 2011, and a number of program changes resulted from this federal law:

- A workgroup on psychotropic drug use in the foster care population has been convened with representation from CFS, the Medical Services Division, the Division of Mental Health and Substance Abuse and field services. The workgroup is currently in the process of reviewing and developing protocols used to monitor the use of psychotropic medications for children in the foster care system.

- Since January 2012, North Dakota foster care agencies are required to assist foster children ages 16 and older in obtaining an annual copy of their consumer credit report from all three credit reporting agencies, interpreting the results, and resolving any inconsistencies. The intent of this law is to identify if the child has been subject to identity theft, as well as teach the child how to request and review a credit report, help the child understand the importance of having a credit check

completed, and position the child to continue this practice upon discharge from foster care.

Elements of the *Fostering Connections to Success and Increasing Adoptions Act of 2008* (P.L. 110-351) have been implemented in North Dakota during the past two years.

- States were allowed to opt into Title IV-E Federal reimbursement to assist youth who choose to remain in or return to foster care until they reach the age of 21. **18+ Continued Foster Care** was passed as SB 2192 last legislative session and has been operating in North Dakota since January 2012.

- States were requested to participate in the **National Youth in Transition Database (NYTD)** program in order to eliminate fiscal penalty of federal Chafee funding. Since October 2010, North Dakota has been documenting the number of independent living services provided to youth as well as tracking outcomes of identified foster care youth at ages 17, 19, and 21. North Dakota is currently in the second phase of NYTD surveying; and is collecting data from former foster care youth who are now age 19.

- Caseworkers are utilizing **Health Tracks Screenings** and Child and Family Team Meetings as a means to ensure continuity of health care services. The health screenings include a physical and mental health assessment.

The second Federal Child and Family Services Review (CFSR) was held in April 2008 in North Dakota. North Dakota did not reach "substantial conformity" (e.g. we did not pass). No state passed the federal CFSR. Therefore, all states must develop a **Performance Improvement Plan (PIP)** in negotiation with federal partners. While we were noted in this

recent round to have many strengths and a few challenges, our performance did require a PIP. The ND PIP was formalized in June of 2010 and mostly completed in June of 2012. While the strategies employed to reach the PIP goals were implemented with great commitment, the work was disrupted by a series of statewide flooding challenges. These challenges did not cause us to abandon the work but clearly impacted our ability to create the change in the timeline given in our Program Improvement Plan. The federal government granted a one-year extension on the ND PIP for this reason. In spite of these challenges, it is notable that North Dakota has met all the national data standards, a significant indicator of positive changes in practice outcomes for the state.

There continues to be significant challenges in the **availability of child care** across the state. There are currently 1431 licensed early childhood programs in the state (Family 343, Group 821, Centers and Multiples 162, School-age 40, Preschool-age 65) with a licensed capacity of 31,520 children. The proportion of North Dakota mothers with children ages birth to five) in the labor force was 77.5 percent. The proportion raise to 86.5 percent for mothers with older children ages 6 to 17 according to the 2010 Census. This has created a demand for assurances of safety in child care settings and the need to provide professional development opportunities for this large workforce and industry in North Dakota. Statewide, the availability of licensed child care meets only 37 percent of the potential demand, with the demand greater in certain areas of the state and for certain groups of children. According to child care resource and referral agencies across the nation, the goal is to have 50 percent licensed child care capacity. Because of this, there is continued need for a focus on recruitment and retention of early childhood service providers. This industry includes providers and staff members in both home-based and center-based care settings.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	2,549,711	106,157	2,655,868		2,655,868
Operating	5,744,630	959,746	6,704,376	(205,416)	6,498,960
Grants	127,255,162	11,790,851	139,046,013	150,000	139,196,013
Total	135,549,503	12,856,754	148,406,257		148,350,841
General Fund	34,197,540	6,092,077	40,289,617	16,480	40,306,097
Federal Funds	81,259,109	4,134,141	85,393,250	(71,896)	85,321,354
Other Funds	20,092,854	2,630,536	22,723,390		22,723,390
Total	135,549,503	12,856,754	148,406,257	(55,416)	148,350,841
FTE	17.0	0.0	17.0		17.0

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $106,157 and can be attributed to the following:

- $57,737 in total funds of which $31,958 is general fund to fund the Governor's salary package for state employees.
- $51,255 in total funds of which $30,660 is general fund needed to fund the employee increases for 24 months versus the 12 months contained in the current budget.
- The remaining ($2,835) is a combination of increases and decreases needed to sustain the salary of the 17 FTE in this area of the budget.

The Operating line item increased by $959,746 and is a combination of the increases expected next biennium which are offset by decreases, with the majority of changes as follows:

- $102,832 increase in travel is due to the department conducting additional IV-E Tribal and state reviews, and additional county staff attending the CFS conference to ensure the safety, well-being, and permanence of children and families.
- $911,385 increase in operating fees & services with the majority being attributed to the Adults Adopting Special Needs Kids Services (AASK) contract, and a 4 percent inflationary increase for providers each year of the biennium.

The Grants line item increased by $11,790,851 which can be mainly attributed to the following:

- $2,734,088 increase in subsidized adoption due to cost and caseload increases, as well as a $1,405,697 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund increase of $1,996,913.
- $1,015,524 increase in foster care due to increases in cost which were offset by decreases in caseload, as well as a $4,054,297 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund decrease of $157,052.
- $413,543 increase for additional child abuse assessments, as well as a $394,868 increase for a 4 percent provider inflationary increase each year of the biennium for an overall general fund increase of $808,411.
- $718,968 increase for County administration reimbursement for their efforts in administering the Department's programs.
- Attachment A lists all the grants and compares the cost and caseload of the 2011-2013 appropriation to the 2013-2015 budget.

The general fund request increased by $6,092,077 of which, $4,349,342 or 71.3 percent of the increase is due to the 4 percent provider inflationary increase each year of the biennium, and a decrease in the FMAP. The

remaining increase is associated with the changes in operating and grants as noted above.

House Changes:

- The Post Adoption Services, which provides services to adoptive families to maintain adoptive placements and permanency, was removed from the budget, this included funding of $205,416, of which $133,520 was general fund.
- Added $150,000 in general fund for a grant, to a county who does not receive Indian County allocation funding, and whose mill levy was significantly impacted based upon the County Social Service Board administrative costs for calendar year 2011.

This concludes my testimony on the 2013-2015 budget requests for CFS. I would be happy to answer any questions.

Children and Family Services
Attachment A

Listing of Major Grants:

Child Abuse & Prevention Activities	$ 2,200,000
Independent Living Programs	$ 1,100,000
Refugee Payments	$ 1,200,000
Child Care Licensing Payments to Counties	$ 800,000
Child Care Quality grants to nonprofit Agencies	$ 6,100,000
Child Abuse/Neglect Assessment Payments to Counties	$ 6,900,000
Reimbursement to Counties for Administration of Child Welfare Programs	$ 12,400,000
Family Preservation & Family Services Grants	$ 9,300,000
Training Child Welfare Professionals and Family Foster Parents	$ 1,900,000
Subsidized Adoption Grants	$ 24,300,000
Foster Care Maintenance, Services and Therapeutic	$ 71,700,000
Subsidized Guardianship Grants	$ 700,000
Other Foster Care Grants	$ 400,000

Cost & Caseload Comparison
2013-2015 Biennium
Compared to 2011-2013 Biennium

Description	2011-2013 Budgeted Avg Monthly Caseload	2013-2015 Budgeted Avg Monthly Caseload	Difference - Increase (Decrease)		2011-2013 Budgeted Avg Monthy Cost per Case	2013-2015 Budgeted Avg Monthy Cost per Case	Difference - Increase (Decrease)
Therapeutic Foster Care	245	207	(38)		1,080.65	996.78	(83.87)
Services Foster Care	217	177	(40)		688.51	718.98	30.47
Foster Care - Family Homes	598	620	22		1,705.39	1,759.25	53.86
Foster Care - RCCF & GH	265	254	(11)		5,235.67	6,318.85	1,083.18
Subsidized Adoptions	1,073	1,199	126		785.11	846.14	61.03

#15

Testimony

House Bill 1012- Department of Human Services

Senate Appropriations

Senator Holmberg, Chairman

March 12, 2013

Mr. Chairman and members of the Senate Appropriations Committee, thank you for allowing me the opportunity to provide testimony. My name is Janell Regimbal. I serve as Senior Vice President of Lutheran Social Services of North Dakota. I am here today with two objectives: to ask you to support the Governor's budget, which has provided for an additional $250,000 (for a total of $750,000) for the Lutheran Social Services' Healthy Families child abuse prevention program sites currently operating; I also respectfully urge your consideration of an amendment to increase the Department of Human Services budget to allow for an additional $750,000 to be utilized for the expansion of this program to two additional sites.

Healthy Families is an evidence- based ***voluntary*** home visiting program serving highly challenged families beginning either prenatally or at birth until the child reaches age 3. Services have been provided in North Dakota since April 2000, first in Grand Forks and Nelson counties and later expanding to Burleigh and Morton counties in June 2008. There is no cost to families to participate. The ultimate goal of Healthy Families is to prevent child abuse and neglect and the long-term effects that it causes.

We are grateful that the Governor has already placed additional support in the budget for our current operations, removing funding obstacles that have limited our ability to meet current client demand. The shift from private foundation funding enabling service expansion to Burleigh/Morton counties took place midway in the 2009/11 funding cycle. As a result our budgets provided to the Department of Human Services for consideration were initially based on what was needed for one year rather than two, locking us into a scenario of on-going shortages due to the current "hold even" budget directives. Healthy Families is not 100% state funded. We also seek support from grants, private contributions and United Way. These sources are limited since Healthy Families is no longer a "new service". A shortfall of $250,000 is something we cannot make up with private funds on top of the dollars we are already raising designated for this program.

There is numerous research-based and cost efficient ways to prevent social as well as health problems today. In almost all cases one would safely assume that it is both a cost savings as well as a life saving effort to employ these prevention practices whenever possible. Ethically it seems that one should never pass up an opportunity to stop something hurtful from occurring - yet it happens all the time. Prevention is grossly under funded at both the state and federal level in comparison to funding for interventions. Getting things right the first time is easier and less costly than trying to fix them later.

It is with this thinking we approach you for consideration of allowing for the opportunity for expansion. North Dakota's promising economic conditions have not necessarily translated into positive childhood experiences for our

states most vulnerable citizens – our children. Feelings of stress and being overwhelmed are often reflected in parenting. Child welfare agencies are experiencing high caseloads related to childhood abuse and neglect, domestic violence continues to be a significant issue in our families and the influx of new families to North Dakota who arrive without extended family support or knowledge of community resources can easily translate into increased child maltreatment.

Research tells us that the first three years of life are a period of incredible growth in all areas of a baby's development. The trauma of abuse and neglect on the other hand has lasting implications for this development. The Adverse Childhood Experiences (ACE) Study, a collaborative research between the Center for Disease Control (CDC) and Kaiser provides staggering proof of the health, social and economic risks resulting from childhood trauma. Children from birth to age three continue to be the age group most likely to be victims of maltreatment. Most maltreated babies are under age one and more than 1/3 were harmed during their first weeks of life. This fact alone makes primary prevention efforts like this critically important!

Lutheran Social Services Healthy Families has been very successful in North Dakota but services have only been offered in a four county area due to a lack of resources. Soon services will be available on the Turtle Mountain Indian Reservation and in Ramsey and Benson counties. We are one of the collaborating partners with Prevent Child Abuse North Dakota and those communities in bringing this programming to those critical locations through

the Maternal Infant Early Childhood Home Visitation federal grant. This is a great opportunity - but we still have many areas of the state untouched.

Weekly home visits provided by highly trained paraprofessionals support families' progress by teaching parenting skills, educating on healthy child development and by teaching tactics to reduce family stressors.

The proposed objectives of Healthy Families are:

- Decrease child abuse and neglect and out-of-home placement
- Enhance children's physical and social emotional development
- Improve parenting skills and focus on fatherhood issues
- Promote children's health, safety and well-being
- Encourage achievement and self-sufficiency of parents
- Decrease subsequent unplanned pregnancies
- Increase early prenatal care and decrease pre-term, low birth weight babies

Outcomes of our program have been strong:

- Children served in Healthy Families experience a lower rate of being victims of child abuse/neglect even though those that participate are in a high risk group as identified through our screening process. Grand Forks County data from 2010 Kids Count indicates that 5.1% children were victims of child abuse and neglect with 173 children requiring Child Protection Services (CPS). Whereas in the past 5 years, 4 of 378 children from Grand Forks County served in Healthy Families were involved in CPS with only 1 having services required. 1.06% served was reported abuse/neglect victims versus 5.1% of overall Grand Forks county children.
- Routine Parent-Child Attachment Assessments are completed by staff observations. A parent score of 32 out of a possible 40 indicates the child's emotional needs are met. At risk participants in our program have an average score of 37, indicating a healthy relationship which is critical to prevention of abuse and neglect.
- Periodic Developmental Screenings monitoring the child's growth and development indicate children are on track with their development,

lowering the need for special services and helping to assure school readiness.

- Program data shows that 96% of children in our program are up-to-date on immunizations and 94% are receiving their well-baby checkups, well above the statewide average.
- 68% of fathers are participating in their children's lives even though 85% of mothers involved are single.
- 94% of families participating in the program are working or in school.

We are asking for your help to expand these promising outcomes to more North Dakota children and join in a vision to have this effective primary child abuse prevention program eventually offered in each human service region of the state. Taking this step of including an additional $750,000 this next biennium will bring us further in reaching that goal, certainly a step in the right direction!

All young children should be given the opportunity to succeed 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 by working to prevent problems or delays which become more costly to address as children grow older, not to mention the cost of trauma to the individual suffering its direct impact.

I appreciate and thank you for your time. Please note that attached to my testimony you will also find letters from some of our clients that wish to share their experiences with Healthy Families. I am happy to answer any questions you may have.

Dear Legislator,

My name is Christian Watchus. After the birth of my daughter 7 Months ago, I had no idea how to be a father. We were offered the Chance to join a program called Healthy Families, which I eagerly joined, hoping to recieve some help and guidance when it comes to parenting.

The Healthy Families program has been invaluable to me in teaching me how to be a good father. The weekly visits from our support worker have been increasingly helpful in answering any questions

that I have, as well as offering any advice that may help in raising my daughter in a safe, positive way.

The activities offered through this program help promote family time and togetherness in my household, which I value above all else.

As a father who was extremely afraid of being a new father, this program has helped ease me into the amazing experience of being a father, and I could not be grateful enough.

I would like to give my sincerest thanks and support for this program and others like it, in hopes that other families may enjoy the experiences and guidance that I have recieved.

Thank you for your time in reading this.

Christian Watchus

My daughter Ahri thanks you too!

To whom it may Concern:

My name is Alisha Berger; I am 23, a full time College student, a support staff at Pride, a devoted Christian, a Faithful girlFried, but most importantly I am a Mother. I have a wonderful 18 month old son named Hunter; he is the Joy and light of my life, everything I strive for in life is for him.

Two years ago I was Introduced into the healthy Famlies program through the Healthy North Dakota Early Childhood Alliance, and fell in Love! This program has had a huge impact on my life and at times has been my strongest support

System. Over the first 7 months of Hunters life our family was faced with 6 deaths 4 of whom where very close family members. This pushed my boyfriend / Hunter father into his old addiction that he had been clean from for the past 10 years. This left me to fend for our son and Hunter by my self. The Healthy Family staff and I had a very close connection. She helped me stay focused on Hunter and brought mile stones and activities to work on to keep my mind off of the depressive reality. She brought me information and helped me find a way

To help him. I can say Proudly that he is now Clean and a wonderful father to our son again I am so thankful for the support of this program. They continue to check Hunters development and ways to interact with new interesting activities.

This Program is a wonderful part of my life. I am very grateful they are in my life, they have Provided wonderful information for a first time mother, and have helped me keep everything in my life together.

Dear Legislator;

My name is DeAnna Rass, I am the mother to Selina Schily and grandmother to Aiden Nicolemus, Jazmin Nicolemus, Abigail Schily and Bianca Schily. I sit in on a majority of the visits at my home. This is the experience that my family has had with the home services.

Throughout the past seven months I have witnessed and watched my daughter grow more and more into a very responsible mother and learning new ways to raise her kids (my grandchildren) in ways to better themselves and herself at the same time. My daughter and grandchildren have been through a lot of hard times before the services have started. All I can say is I'm very proud of my daughter with all her improvements.

The support worker that we have has helped a great deal

in my daughters life for the better. I am very grateful that she is a part in our lifes.

If you would like to hear more about the improvements that the support worker has made in our lives from beginning to end please don't hesitate to call me at 701 595 2891 my name is DeAnna.

Thank you for your time.

Sincerely

DeAnna Rose

12-12-12

JoAnne Hoesel
HB 1012
3-12-13

16

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations, I am JoAnne Hoesel, Director of the Division of Mental Health and Substance Abuse Services (DMHSA) of the Department of Human Services (DHS). I am here today to provide you an overview of the Division.

Programs

The Division promotes the use of best practices and ensures quality care through the service delivery system for North Dakota families who have struggled or are struggling with mental health and/or addiction disorders. This Division is the single state authority responsible for overseeing a statewide network of substance abuse and mental health treatment, recovery support services, mental health promotion, and substance abuse prevention services. This translates into licensing, training, development and implementation of appropriate mental health and substance abuse services throughout the state. The Division writes the combined federal block grant applications for mental health, substance abuse treatment and substance use prevention, monitors the grant activities for compliance, and reports on challenges, accomplishments, and client and program outcomes.

The Division manages the traumatic brain injury (TBI) efforts, community-based high risk sex offender treatment, problem gambling treatment, the contract for long-term residential

treatment services for individuals addicted to methamphetamine and other controlled substances, and licenses psychiatric residential treatment centers and regional human service centers. As Division Director, I chair the Governor's Prevention Advisory Council on Alcohol and Drugs and the Autism Spectrum Disorder Task Force. The Division provides prevention specialist services to targeted communities, implements population-focused prevention strategies, and offers a clearinghouse of prevention materials regarding substance abuse.

Customer Base

The Division licensed 84 substance abuse treatment programs (an increase of three programs since last biennium), 44 DUI education programs (an increase of seven programs), eight regional human service centers, and six psychiatric residential treatment facilities for children and adolescents.

Program Trends/Major Program Changes

Alcohol and other drug use

Using 2005 as the baseline year, alcohol continued to be the primary substance reported through 2011 by those in treatment. There is evidence that alcohol use and abuse is generational in North Dakota. Children and young adults are following the example of the state's adults who use and abuse alcohol at rates that are high relative to other states. North Dakota children and young adults, who are not of legal drinking age, engage in recent and binge alcohol use at elevated frequency (SAMHSA, 2011). Further, North Dakota students grades 9-12 are substantially more likely than their U.S. counterparts to have

recently driven a vehicle after consuming alcohol (Youth Risk Behavior Survey, YRBS, 2011).

In CY2011, the ranking for the primary drugs of addiction for those in treatment at the regional human service centers is: alcohol, marijuana, followed by opioids and methamphetamine close in 3rd and 4th place. In CY2010 opiates (prescription pain medications) rose to third place followed by methamphetamine. Associated with illicit drug use, arrests in North Dakota have increased by 13.8 percent from 2,339 in 2010 to 2,662 in 2011. Methamphetamine continues to be a problem in North Dakota, but to a lesser extent than in 2005. In recent years, meth lab incidents have been drastically reduced (236 in 2004 to 8 in 2011). This state ranking reflects regional trends except for Northwest, Southeast, and Badlands regions, where methamphetamine is in third place and opiates in fourth.

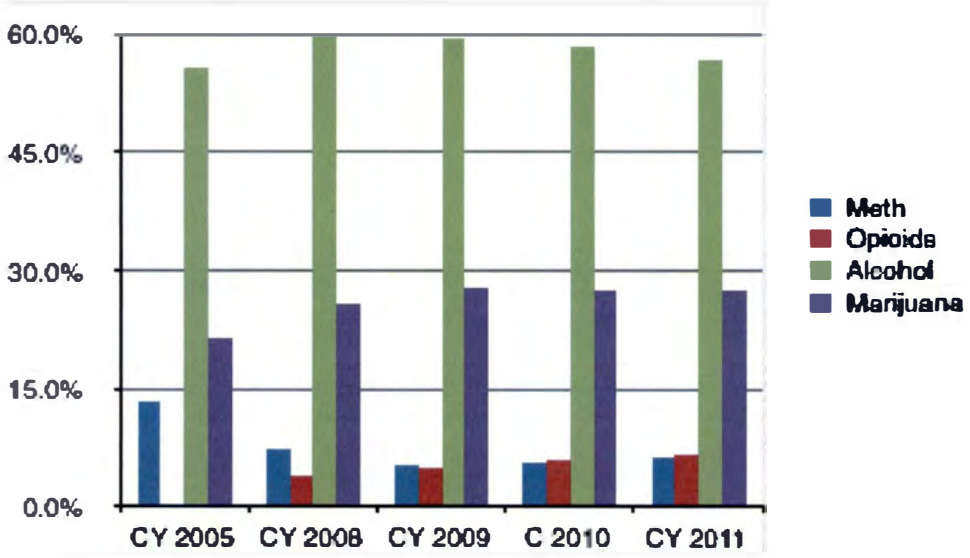


Table 1: Primary Substances Reported At Admission –State Data

Severe Behaviors of Youth

Children and youth have presented increasingly difficult and challenging behaviors over the past years. DHS has noted a

pattern of youth experiencing multiple out-of-home placements. Of the youth in out-of-state treatment facilities in October of 2012, 21 youth had four in-state treatment placements prior to their current out-of-state placement. Studies show that children who experience behavior-related placement changes receive double the outpatient mental health visits than children who experience placement changes for other reasons. The number of previous out-of-home placements tends to be higher with increased levels of psychiatric symptoms and can be used to predict treatment response. Placement changes affect the well-being of children putting them at heightened risk for poor outcomes. Therefore, accurate assessment of a child's need and risk in relation to caregiver capacities is critical. (Child Welfare: Journal of Policy, Vol. 84; Mental Health Services Research 2004, Vol. 6)

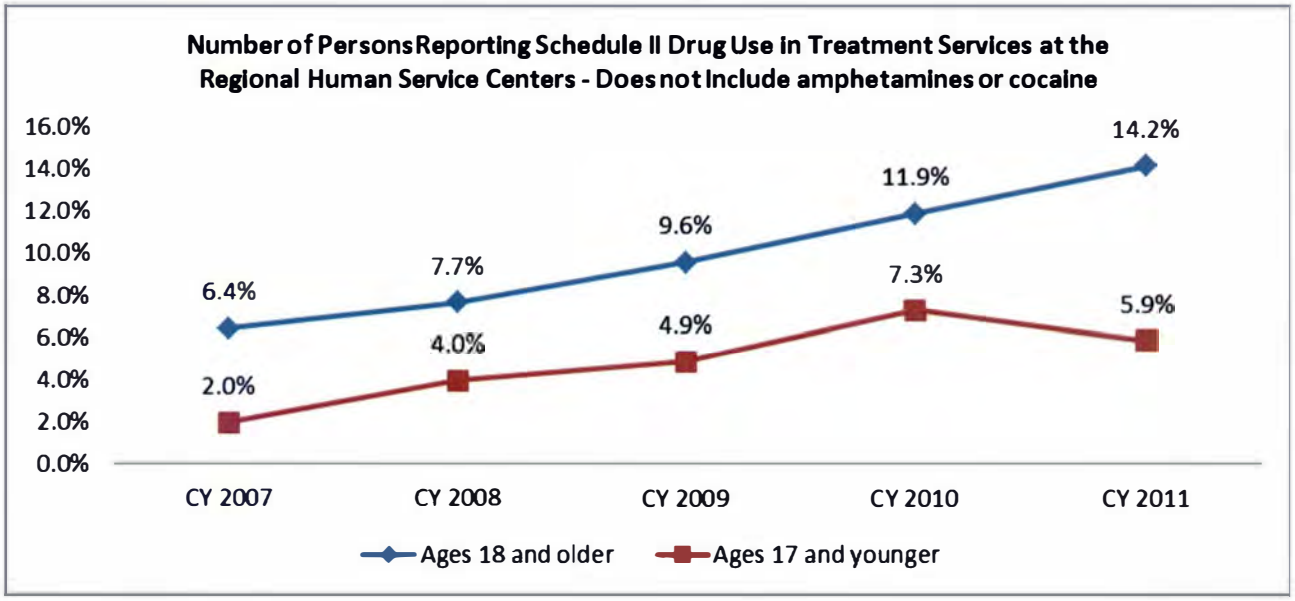
As a multi-divisional effort, DHS is implementing strategies to lower the number of multiple placements for youth. One major strategy this Division has implemented is community-based standards (CbS) continuous quality improvement process in two Psychiatric Residential Treatment Facilities (PRTF). Due to the positive results, the remaining facilities will implement this improvement process during the upcoming biennium. This process provides facilities with information on strengths and identifies areas needing attention. Technical assistance and training opportunities are included. The Division will provide targeted training on proven methods to manage and decrease aggressive behaviors, which often lead to multiple placements.

Prescription Drug Abuse

While opioids have been used for decades to treat chronic pain, concerns about prescription opioid abuse have increased recently. The trend for abuse of prescription drug pain relievers and use of heroin (both opioids) in N.D. continues to rise. Treatment admissions for primary abuse of prescription pain relievers have increased. Furthermore, the number of unintentional overdose deaths from prescription pain relievers has quadrupled in the U.S. since 1999.

There is a high rate of relapse for opiate addiction. Due to the problematic and dangerous detoxification process, one year after stopping opiates, there is an 85 percent chance of relapse. Fortunately, there are three medications that are highly effective in reducing the rate of opiate addiction relapse. Buprenorphine, already used by physicians in North Dakota, along with the other two medications, may help N.D. more effectively address the increased use of opioids, and the influx of individuals from other states already on a prescription for these treatment medications. Expanding the use of physician prescribed medications for the treatment of addiction may decrease relapse potential.

Prescription Drug Abuse (continued)



- **1 in 6** N.D. high school students (16.2 percent) reported taking prescription drugs without a doctor's prescription in 2011 (N.D. Youth Risk Behavior Survey (YRBS), 2011)
- **11 percent** of all substance abuse evaluations referred to treatment in N.D. involved prescription drug abuse (Treatment Episode Data Set (TEDS), 2009-2011)
- **4.7 percent** of middle school students have used prescription drugs without a prescription (YRBS, 2011)
- **71 percent** of people who abuse prescription pain relievers obtain them from a friend or relative (NSDUH national findings, 2010)
- **40 percent** don't know if adult prescription drug abuse is a problem (N.D. Community Readiness Survey (CRS), 2008)

In North Dakota, unintentional poisonings were the fourth leading cause of injury-related mortality from, 2004 to 2008 (ND Division of Injury Prevention and Control, 2011). Among North Dakota

adults, pain relievers, sedatives, antidepressants, and narcotics are among the most common exposures (ND Division of Injury Prevention and Control, 2011). According to federal vital records, the total number of unintentional poisoning deaths in North Dakota substantially increased over the years to its highest total of 46 deaths in 2008 (CDC Wonder, 2012).

Due to this information, Prevention efforts areas focus on raising awareness of prescription drug abuse and decreasing access. See Attachment A. The Division director also formed a multi-agency workgroup to develop a comprehensive strategy for this issue.

Peer Support

Peer Support Specialists are individuals in recovery from mental illness who draw upon their experiences to help their peers move forward in their personal recovery journey. Because of their life experience, such persons have expertise that professional training cannot replicate.

Peer Support Specialists engage with peers in the regional recovery centers, through community activities, or over the telephone. They work with individuals one-on-one and in group settings. Peer Support Specialists complete a training and certification process prior to providing services. When provided in addition to traditional mental health services, most studies show peer support improves psychological outcomes such as empowerment. Studies also show improvement in clinical outcomes, such as reduced hospitalization, beyond the improvement in clinical outcomes attributable to traditional mental health services.

DHS is implementing a tiered treatment and support approach for those with serious mental illness where services, including peer support, are assigned based on the level of functioning of the person. This will allow better alignment of services and extension of the services to more individuals.

Prevention

Prevention Specialists provide training and technical assistance regarding substance abuse prevention strategies including media, enforcement, access, policy, environment, and community-based process. The targeted-community program focuses on prevention efforts at the community level. The following communities have participated in the program since 2010:

- Bottineau County
- Foster County
- McKenzie County
- City of Minot
- Mohall-Lansford-Sherwood School District

The Division contracts with tribes and local tribal entities to provide culturally appropriate technical assistance and resources to schools, law enforcement, tribal health programs, and other persons or groups interested in prevention. These programs work cooperatively with the Tribal Tobacco Prevention Program.

Fidelity Reviews

A key factor in the provision of best practices is to deliver them in the manner intended and in the manner that resulted in positive research outcomes. The Division monitors programs through fidelity reviews to determine the degree of compliance and need

for training. Fidelity reviews were completed in the fall of 2012 at seven human service centers to determine if their delivery of the MATRIX model for individuals addicted to methamphetamine or having other chronic addictions was being done according to best practice guidelines. Six of the seven centers were recognized for excellence and received three-year certification with the highest possible degree of fidelity. The seventh center received a two-year certification with fidelity from the MATRIX institute. Another practice review in the area of dual disorders resulted in Southeast Human Service Center receiving a national award for excellence.

Trauma

There are significant differences in mental health outcomes based on the type of trauma experienced. The physical trauma of traumatic brain injury (TBI) is one of the leading causes of death and life-long disability. The impact of TBI on the person and family caregivers is significant and long-term, such that many persons with TBI require continuing support and care in various aspects of their lives many years after the injury. Family caregivers also require ongoing support. Mental illness is one aspect that greatly impacts the lives of these people.

The TBI screening tool was implemented at all regional human service centers in March 2011. The Ohio State University TBI Identification Method—Short Form is used to collect data about TBIs (Corrigan, J.D., & Bogner, J. (2007). All individuals applying for services are screened as part of the intake process unless the individual is in need of services only for a developmental disability. The purpose of the screening is to identify individuals who have sustained a TBI but more importantly, to

assist staff and clients in determining appropriate treatment strategies and goals that lead to more positive client outcomes. Services can then be provided with a much clearer understanding of each client's level of functioning.

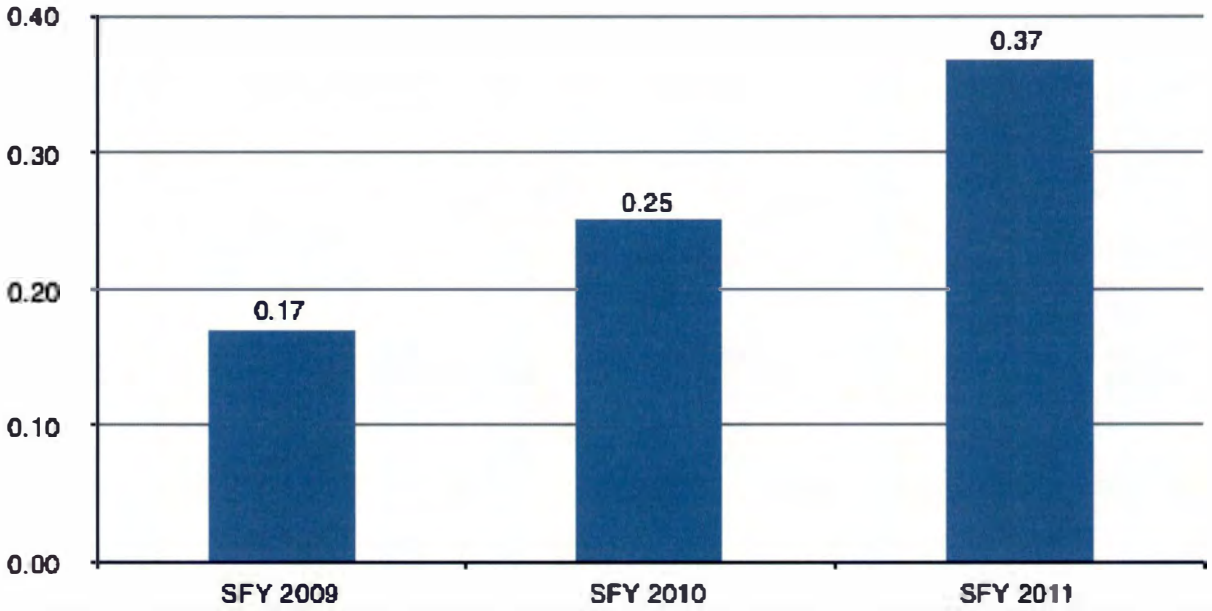
Individuals identified as having a TBI are provided with information about community services specifically for, such as social/recreational services, pre-vocational skills services and mentoring, home and community-based services, informal supports and peer mentoring services. There may be instances when a client may need a referral for further evaluation and other services. If an individual has moderate to serious difficulty with cognitive functioning, behavioral and emotional difficulties and has not ever had a neuropsychological evaluation, human service staff may make a referral. A neuropsychological assessment provides the individual and other service providers with important details about the extent of brain damage and what particular areas of the brain were damaged. More importantly, the assessment provides valuable information about the individual's behavior, cognitive functioning, emotional health, and recommended interventions and treatment. From March 14, 2011 to March 22, 2012, 13,683 screens were completed. Of these, there were 4,882 positive screens or 35 percent.

Extended Services

The national unemployment rate for persons with serious mental illnesses hovers at 90 percent. The goal of Extended Services is to positively impact employment outcomes for North Dakotans.

Targeted adjustments to this program have been made. Two strategies were implemented this biennium. One was to strengthen and enhance North Dakota's Extended Services program for individuals with serious mental illness (SMI), utilizing the Substance Abuse and Mental Health Services Administration (SAMHSA) evidence-based practice model for supported employment. Secondly, a targeted effort was implemented between January and September 2012 focused on providing personalized benefits counseling and training on job seeking skills.

This helped people understand how employment could affect public benefits and helped people find employment. To allow for continued use, an E-learning module was developed. This efficient web-based tool allows for wide-spread and ongoing education. Specialists



Percent of adults in North Dakota who receive public mental health services, are diagnosed with a serious mental illness, and are employed.

provided 100 one-on-one coaching sessions to 43 individuals, as well as eight group coaching sessions to 91 individuals with SMI. Participants used what they learned to successfully gain employment and the self-confidence needed to pursue employment.

Overview of Budget Changes

Description	2011-2013 Budget	Increase/□(Decrease)	2013-2015 Budget	House□Changes	To Senate
Salary and Wages	2,565,400	89,835	2,655,235	-	2,655,235
Operating	12,807,494	6,136,021	18,943,515	(300,000)	18,643,515
Grants	3,156,502	(1,543,062)	1,613,440	(100,000)	1,513,440
Total	18,529,396	4,682,794	23,212,190	(400,000)	22,812,190
					-
General Funds	6,379,168	1,493,592	7,872,760	(400,000)	7,472,760
Federal Funds	11,579,368	3,189,202	14,768,570	-	14,768,570
Other Funds	570,860	-	570,860	-	570,860
Total	18,529,396	4,682,794	23,212,190	(400,000)	22,812,190
					-
FTE	17.00	-	17.00	-	17.00

Budget Changes from Current Budget to the Executive Budget:
The Salary and Wages line item increased by $89,835 and can be attributed to the following:

- $57,878 in total funds, of which $56,144 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $55,776 in total funds, of which $15,467 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $47,124, increase of which $6,900 is general fund to add a temporary position for the peer support program.
- The remaining $70,943 decrease is a combination of increases and decreases needed to sustain the salary and benefits of the 17 FTE in this area of the budget.

The Operating line item increased by $6,136,021 and is a combination of the increases and decreases expected next biennium. The majority of the increase is due to the changes in operating fees and services as follows:

- An increase of $4,483,289, all federal, due to the Strategic Prevention Framework State Incentive Grant, which was new in 2011-2013 and is being carried forward to the 2013-2015 biennium.
- $313,883 increase all of which is general fund dollars for community based high-risk sex offender treatment
- $300,000 increase all of which is general fund dollars for the peer support program.
- $320,000 increase all of which is general fund for facilitators to act as a resource for traumatic brain injury patients so they can access appropriate care timely.
- $150,000 increase all of which is general fund for 2-1-1 services
- $316,861 increase all of which is general fund for contracted provider inflationary increases.
- Decrease of $112,872 due to the end of Enforcing Underage Drinking Laws money from the federal government.

- $240,000 decrease due to the end of the Safe and Drug Free Schools funding from the federal government.
- Increase of $288,564 for the State Outcome Measure and Management from the Strategic Prevention Framework State Incentive Grant carry forward.
- Remaining $316,296 increase is due to changes in rental space and some contracts changing from grants to operating.

The Grants line item decreased by $1,543,062 and can be attributed to the following:

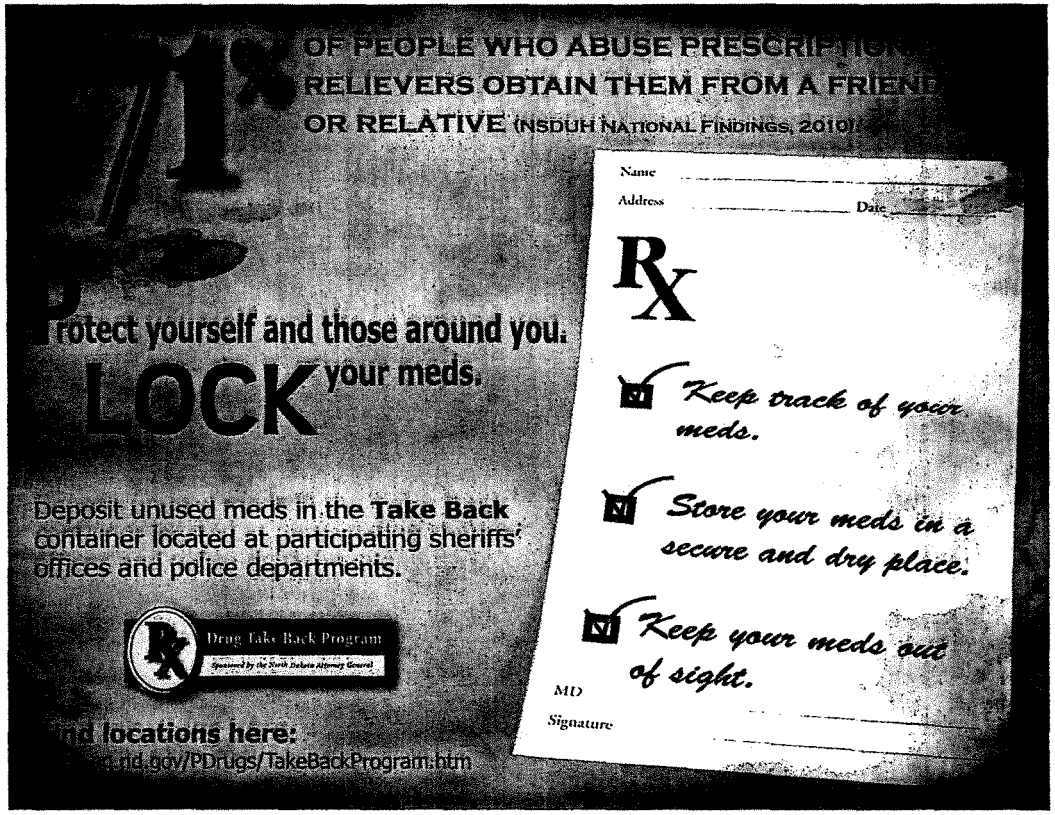
- Decrease of $400,000 due to end of Enforcing Underage Drinking Laws funding from the federal government.
- Decrease of $1,022,857 due to not receiving Traumatic Brain Injury funding from the federal government The authority was included in the 2011-2013 budget without there being any federal award.

House Changes:

- $300,000 of general fund was removed from operating for the peer support program
- $100,000 of general fund was removed for grants to be provided by the Governor's Prevention Advisory Council

This concludes my testimony on the 2013–2015 budget request for Mental Health Substance Abuse Division of the Department. I would be happy to answer any questions.

Prescription drug abuse is a growing problem.
You Lock these...
Why not these?
www.nd.gov/dhs/prevention


OF PEOPLE WHO ABUSE PRESCRIPTION
RELIEVERS OBTAIN THEM FROM A FRIEND
OR RELATIVE (NSDUH NATIONAL FINDINGS, 2010)
rotect yourself and those around you.
LOCK your meds.
Deposit unused meds in the Take Back container located at participating sheriffs' offices and police departments.
Drug Take Back Program
Sponsored by the North Dakota Attorney General
d locations here:
nd.gov/PDrugs/TakeBackProgram.htm
Name
Address
Date
Rx
Keep track of your meds.
Store your meds in a secure and dry place.
Keep your meds out of sight.
MD
Signature

Carlotta McCleary #17
HB 1012
3-12-13

Testimony
House Bill 1012
House Appropriations Committee Human Resources Division
Senator Ray Holmberg, Chairman
March 12, 2013

Chairman Holmberg and members of the Committee: my name is Carlotta McCleary. I am the Executive Director of ND Federation of Families for Children's Mental Health (NDFFCMH). NDFFCMH is a parent run advocacy organization that focuses on the needs of children and youth with emotional, behavioral and mental disorders and their families, from birth through transition to adulthood.

Mental disorders affect about one in five American children and one in ten experience serious emotional disturbances that severely impair their functioning, according to the Surgeon General's comprehensive report on mental health. Sadly, over two-thirds of children struggling with mental health disorders do not receive mental health care. The President's New Freedom Commission on Mental Health found that without early and effective identification and intervention, childhood mental disorders can lead to a downward spiral of school failure, poor employment opportunities, and poverty in adulthood. Untreated mental illness may also increase a child's risk of coming into contact with the juvenile justice system, and children with mental disorders are at a much higher risk for suicide.

Currently, the NDFFCMH provides Parent-to-Parent support for children with mental health needs and their families. Children with mental health needs are often involved with multi systems in order to meet their complex needs. The four main public systems are Mental Health, Education, Child Welfare and Juvenile Justice. The Parent-to-Parent Support program assists families in navigating through the various systems so that families understand their rights and

responsibilities so that they are more informed and can truly partner with the various service providers to ensure the needs of their child are met. Parent-to-Parent Program provides families with support, education and advocacy to assist families in accessing the services that their child needs. This program will no longer be funded by the Division of Mental Health and Substance Abuse.

The Department of Human Services serves children with mental health needs in their Partnerships Program. This is a very successful program that utilizes the wraparound process to provide services to the children with serious emotional disturbances and their families. Partnerships program however is experiencing capacity issues in many parts of the state. While the governor's budget addresses the capacity issues at Southeast Human Services Center it does not address the capacity issues for the rest of the state.

Transition to Independence Program is a program for transition age youth who are falling through the cracks of our traditional service delivery system. This program has been very effective in assisting youth and young adults transition to adulthood. This program is also experiencing capacity issues in many parts of the state. We would like to see the funding for Transition to Impendence Program not only restored but, enhanced to deal with the capacity issues across the state.

Peer to Peer Support is currently serving adults with mental health needs. Whether it is an adult youth or families a peer can provide insight and support that empowers people to have the confidence to deal with the day to day struggles. Nationally, Medicaid programs are providing reimbursement for peer to peer services. These include youth-to-youth, parent -to-parent and peer-to-peer. These are evidence base services and they have had very positive outcomes. We

would like to see the funding restored for the Peer to Peer Support Program. We would like to see the DHS restore this important program.

Vocational Rehabilitation Provides essential services to transition age youth and young adults with mental health needs. Employment is a crucial part of recovery from mental health needs. Vocational Rehabilitation is currently on Order of Selection with many youth and young adults with mental health needs on waiting list waiting for services. These services that are needed now in order to involve are youth with employment opportunities.

Thank you for your time.

Carlotta McCleary, Executive Director
ND Federation of Families for Children's Mental Health
PO Box 3061
Bismarck, ND 58502

Phone/fax: (701) 222-3310
Email: carlottamccleary@bis.midco.net

Jane Gillig Hoekstra #18
HB 1012
3-12-13

March 10, 2013

To Chairman Senator Ray Holmberg and the Senate Appropriations Committee:

I am a parent who receives services from North Dakota Federation of Families for Children's Mental Health (NDFFCMH). They have been a huge source of help to me for the past four years. My child is now moving on to middle school, and will need tremendous help with the transition from one school to the next. I would be at a total loss without the help and support of NDFFCMH. They have helped guide me through the process, made sure I knew what services were available that the schools were not informing me about, and were a huge source of support for me and my child. My child would not be doing as well as he is, if not for their guidance. Please make sure there is funding for parent to parent support included in the HB1012. Thank you.

Jane Gillig Hoekstra
512 Columbia Dr
Bismarck ND 58504
jhoekstra@bis.midco.net

Rebecca Quinn
HB 1012
#19

Public Testimony 3-12-13
House Bill 1012-Department of Human Services Budget
Mental Health/Substance Abuse
Senate Appropriations
March 11, 2013

Submitted by Rebecca Quinn, Traumatic Brain Injury Program Director
Center for Rural Health, UND School of Medicine and Health Sciences

Chairman Holberg and other members of the Committee. My name is Rebecca Quinn and I am the TBI Program Director at the Center for Rural Health, UND School of Medicine and Health Sciences. For the past five years it has been my pleasure to work with individuals with brain injury, family members and other professionals develop brain injury services.

Brain injury is by all definition a life altering event.

No one prepares and there is no time to plan. It is something that families and individuals are thrown into; often with very little support and no guidance. Getting to go home after being in the hospital can be exciting and a welcome relief; individuals and families are anxious to get back on with their lives and transition back to everyday activities.

However, often this can be a challenge for the person with the brain injury and for the families. The long term effects of brain injuries can create an uncertain recovery path and often do not fit well into any one particular service system. Lack of awareness and understanding of the possible long term effects of brain injury means that often even the individual and family are unaware of the full ramifications; let alone how to best seek assistance from services. It is this lack of understanding that is detrimental for the recovery from a brain injury. It is not uncommon for an individual, family members and professionals to disregard many of the problems and complexity associated with brain injury. Unfortunately, failing to quickly identify areas of difficulty and put individuals in touch services can allow a situation to become significantly worse than it needs to be. Even when individuals and families are aware of the need to seek care this process can be confusing and difficult access.

Brain injury is often called the "hidden disability" or the "silent epidemic", but I think of it more as an orphan. It has no home to speak of and does not fit well into any of our other service systems. During the initial acute phase it is a medical condition that is treated and dealt with by the medical community; however, once an individual has stabilized brain injury is no longer seen as a medical condition and individuals are discharged.

Seeking post medical care, treatment and services often involves the need to access multiple public and private systems, Individuals and families are unprepared for how best to coordinate services and often do not know what services are available in their area. Families often refer to this time as jumping into the unknown without a net.

In North Dakota this lack of a safety net is felt drastically by those returning from acute care. We currently have an estimated 13,000 individuals with permanent long term disability. Additional Numbers:

- Close to 7,000 TBIs sustained each year
- DHS screening found 36% of individuals screened positive for TBI
- Fargo VA has had over 400 positive level II screens for TBI

The results of 2005 North Dakota TBI Needs Assessment showed four prominent needs among individuals with TBI, caregivers, agencies, and providers.

- The need for increased access to TBI information and resources
- The need for increased TBI education, training, and awareness
- The need for enhanced and expanded TBI services
- Needed support services for persons with TBI and their families and caregivers

Resource facilitation is an evidence based method to offer assistance to those impacted by TBI. It is a service that over 40 states have adopted to provide a guide to help individuals and families navigate the various resources available to increase independence and maximize quality of life. Every case is unique. Therefore, the nature of the service delivery system must be flexible and leverage community assets to address the diverse needs of each individual with brain injury. Resource facilitation provides a much needed bridge between brain injury survivors and services that are available in the community.

Research has shown that resource facilitation saves money by getting individuals back to productivity and employment. A recent Indiana study showed that over two thirds of individuals with brain injury receiving early resource facilitation return to work within six months compared to less than one third of individuals who did not receive resource facilitation services.

The goals of Resource Facilitation are to prepare individuals to:

- Return-to-work, and/or
- Return-to-school or college.

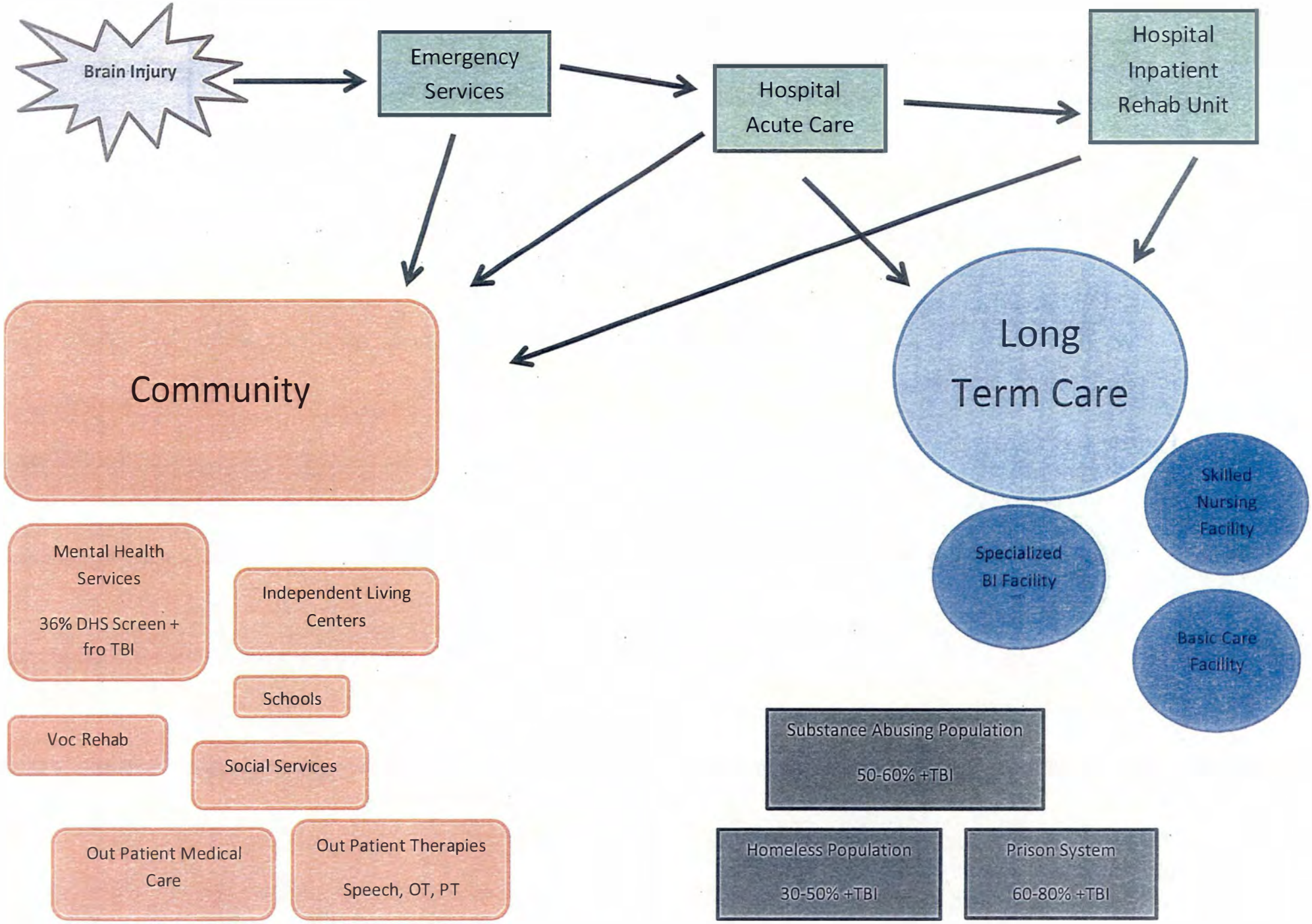
Why does Resource Facilitation work? It provides:

- Early access to brain injury expertise and services,
- Coordination of available systems and supports, and
- Funding and eligibility information.

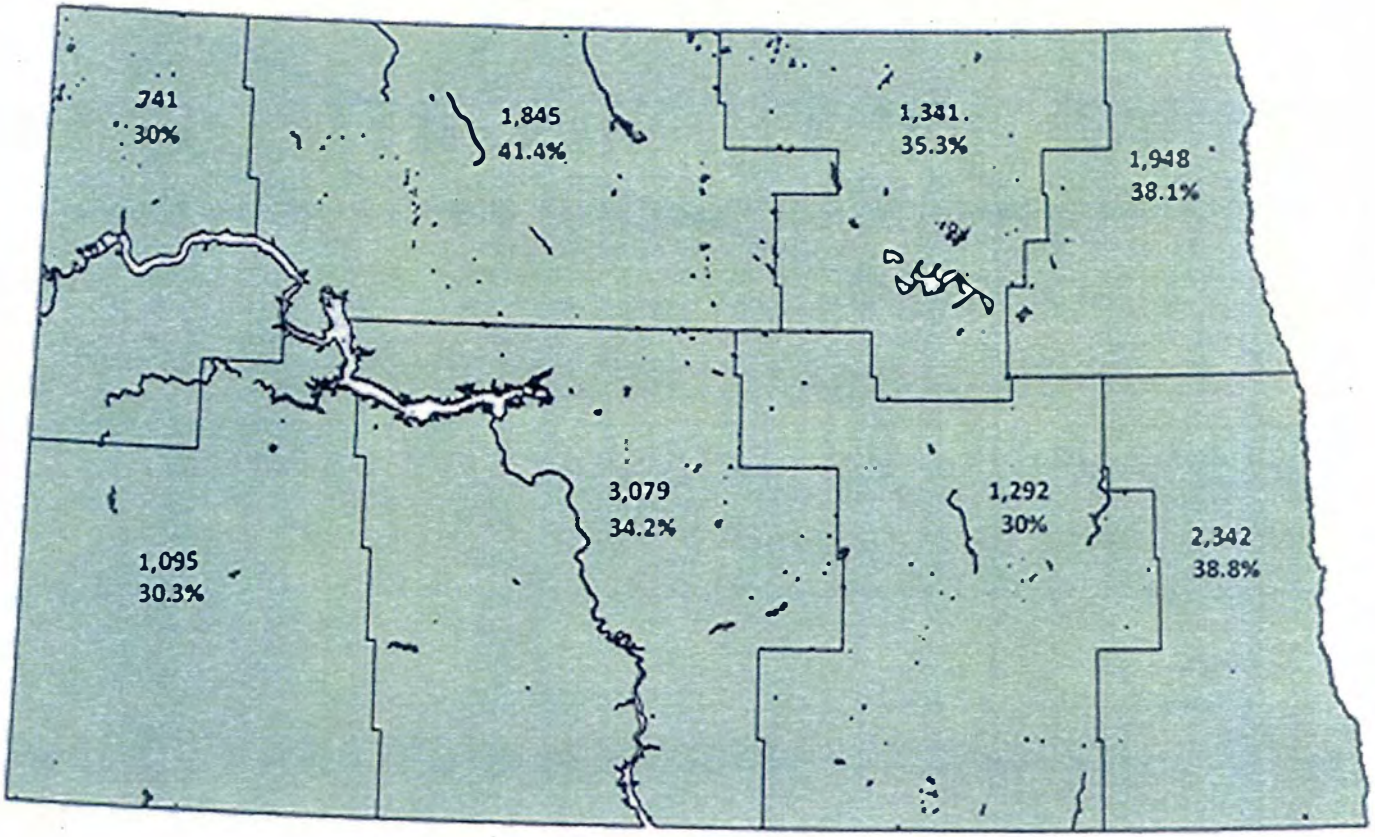
Resource facilitation can save North Dakota money by providing the right access to the right services and supports at the right time for persons with brain injury and their families.

Another part of my testimony that I would like to address the current proposed funding amount. The Executive Budget included $320,000 for resource facilitation in each quadrant of the state. I feel that this is a drastic underestimate of what would be required to run a

successful program of this scale across the state. In order to successfully manage the program $1.3 million dollars would be needed for the biennium. These funds would allow for the employment of six full time resource facilitators, travel funds for providing trainings and traveling to rural communities, funds for the promotion and awareness of the program, indirect cost (such as office space, supplies, phone, and computers), and funds for evaluation of the program's effectiveness. The current amount in the executive recommendation is for only $40,000 a quadrant per year. This amount would not be sufficient to successfully launch the program and truly meet the needs of the citizens of North Dakota with brain injury. A similarly funded program in North Dakota is the Dementia Care Program first funded in 2009. This program has been able to, with sufficient funding, quickly increase awareness of the program, provide invaluable service for individuals and show the cost saving effectiveness of the program.


Brain Injury
Emergency Services
Hospital Acute Care
Hospital Inpatient Rehab Unit
Community
Long Term Care
Skilled Nursing Facility
Specialized BI Facility
Basic Care Facility
Mental Health Services
36% DHS Screen + fro TBI
Independent Living Centers
Schools
Voc Rehab
Social Services
Out Patient Medical Care
Out Patient Therapies
Speech, OT, PT
Substance Abusing Population
50-60% +TBI
Homeless Population
30-50% +TBI
Prison System
60-80% +TBI

TBI Screens By DHS Region



Top values indicate number of screens conducted. Bottom values indicate percent of screens that had a positive result.

Hannah Anderson
HB 1012
3-12-13

#20

Testimony

Senate Appropriations Committee

Tuesday, March 12, 2013

Good morning Chairman Holmberg and members of the Senate Appropriations Committee, my name is Hannah Anderson and I am from Leeds, ND. I have a traumatic brain injury that I suffered from a nearly fatal car accident back in 2007, when I was just 15-years-old.

I am here today to testify in support of the traumatic brain injury portion of HouseBill 1012 and briefly speak for the need for resource facilitators in our state. My brain injury has affected almost every part of my life. It has changed who I am and who I thought I would become. Not only did I have to relearn basic things like how to breathe, how to walk and how to talk, but I also had to figure out the best ways for me to remember things. My short term memory is really bad and things that used to be easy for me, now stress me out. Mental fatigue is something I struggle with. My mind has to work twice as hard as people without a brain injury. It is hard for me to organize things, coordinate my schedule, and I struggle to make wise decisions. I am currently going to college at Trinity Bible College in Ellendale, ND, where I take 9 credits per semester. The college has an Academic Success Center, where I spend a lot of time getting assistance with my homework. I have hired a private tutor and my mother helps me break big projects down into manageable smaller projects, so that I can meet deadlines.

The reason that I am telling you all of this is because I am one of the lucky ones, I have someone who makes and drives me to my doctor

appointments, I have someone who pays all my bills and makes sure I have the correct medications. I have someone who calls the insurance company when something is wrong and I have someone who I can go to when life is overwhelming for me. My mother has been my caregiver and my resource facilitator for the past 5 years. She quit her job to stay home and take care of me and coordinates everything so that I can regain as much function as possible after my brain injury.

What happens to all of the TBI survivors out there who do not have a parent who can quit their job and become their full time advocate? There is no way that I would know where to go for help and make sure I got to the appointments and then follow the instructions that were given to me if there was not someone who could help me. There is no possible way that I could have completed all the paperwork at all the different agencies, gotten it back to them and followed through with all that they tell or ask a person to do.

People who sustain a brain injury are thrown into this world of disability without prior knowledge about how to maneuver it. There are multiple eligibility requirements in multiple agencies and this makes it difficult for people to utilize or obtain services. Getting the right follow-up and coordination of services at the right time can make a difference between independence and institutional care. People with brain injuries need someone to make sure that they can get to appointments, get the necessary medications, as well as complete all necessary paperwork. Having resource facilitators in ND will decrease costs and help this population of people be healthier and happier. Brain injured people deserve to be able to use the

resources more effectively in order to remain as independent as possible.

Thank you for the funding that you have been able to provide in the past and thank you for considering the funding for Resource Facilitators for people with a brain injury, like me.

Christine Hogan #21

Senate Appropriations HB 1012
Senator Holmberg, Chairman
House Bill No. 1012 3-12-13
March 12, 2013

Chairman Holmberg and Members of the Committee, I am Christine Hogan, an attorney with the Protection and Advocacy Project [P&A]. I would like to testify in support of the Executive budget submitted for the Department of Human Services and ask the committee to restore funding for Peer Support Services in the Mental Health and Substance Abuse Program.

It is in everyone's interest that the need for mental health services be addressed in a cost effective way. To accomplish this, it is critical that the Department be given the resources to sustain an effective continuum of services.

Funding in the amount of $300,000 was cut for Peer Support Services. Because of their life experience, peer support specialists have expertise that professionals can't duplicate. They can provide support and assistance that helps others move forward in their recovery and avoid relapse. We believe this is an important and cost effective way to build community supports for people with serious mental illness and improve psychological and clinical outcomes. It can help decrease the need for more expensive interventions and is an important service that should be funded.

P&A is very concerned that individuals end up in more costly settings due to a lack of sufficient community resources and services. We applaud the Department of Human Services for finding innovative, cost effective ways to provide community-based supports for people with mental health issues. We ask this committee to restore requested funding for this important service.

This concludes my comments and I would be happy to answer any questions the committee might have. Thank you.

Testimony
House Bill 1012- Department of Human Services
Senate Appropriations Committee
Senator Ray Holmberg, Chairman
March 12, 2013

Nate Aalgaard #22
HB 1012
3-12-13

North Dakota Centers for Independent Living

Chairman Holmberg and members of the Senate Appropriations Committee

My colleagues and I are here today to talk to you about the Independent Living program in the state of North Dakota. The information included in this packet is a continuation of our efforts to create a statewide network of services. While the increases historically received are appreciated, there remain many areas of the state that are underserved or unserved. If the funding request were realized it would mean that all areas of the state would have a Center for Independent Living (CIL) presence.

The Independent Living program in North Dakota has been in existence for nearly 35 years, offering the citizens of the State a local resource point from which to identify the many services available to them so that they can become productive members of society and learn the skills needed to move forward from a life of dependency. During the last 35 years gradual progress has been made in creating a system whereby every person with a disability has access to CIL services. However, statewide presence is still far from a reality.

The Statewide Independent Living Council has determined that in order to have sufficient staff presence, each CIL would need about $650,000 per year, or $5.444 million per biennium. For that to be realized, we would need an additional $1.98 million per biennium. With this amount of funding, staff and offices would be added in various communities, creating a physical presence across the State.

Your assistance would be greatly appreciated. We feel strongly that this is a good investment for our state, as about 70,000 people 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 give any of us a call.

Sincerely,

Royce Schultze	Scott Burlingame	Nate Aalgaard	Randy Sorensen
Dakota CIL	Independence, Inc.	Freedom RCIL	Options RCIL
701-222-3636	701-839-4724	701-478-0459	218-773-6100

SUMMARY OF FUNDING REQUEST
NORTH DAKOTA CENTERS FOR INDEPENDENT LIVING

The Statewide Independent Living Council estimates that in order to have a Center for Independent Living presence and availability of core services in every county of the state, they would need $650,000 per year each. Each of four Centers for Independent Living is designated to serve a quadrant of the state (see Center Service Area, page 6).

Current biennial budget, including state and federal funds: $ 3,454,202
Estimated total amount needed for statewide availability: $5.444 million
Additional funds needed to provide services statewide: $1,989,798 per biennium
Governor's budget proposal: Additional $800,000 per biennium
Current general fund appropriation: $948,985

Services:
All Centers for Independent Living are required to provide four core services, which are: **Independent Living Skills Training, Individual and Systems Advocacy, Peer Counseling**, and **Information and Referral**. They also provide many others, such as nursing home relocation and prevention, community education, assistive technology, and recreation.

Service numbers: 2012 Federal Fiscal Year:
Information and Referral: 7,759 Direct Service: 1,393 Total: 9,152

With current funding, Centers are able to provide the four core services in 19 counties; 12 counties are designated as underserved, meaning only partial services are available; and 22 counties are unserved, meaning services are only available by phone. (See map on page 5)

Priorities for additional funding

Dakota Center for Independent Living
1. Competitive wages for existing staff in Dickinson
2. Fill vacant position in Dickinson
3. Hire additional staff to serve unserved/underserved areas.

Independence Inc.
1. Increase wages to address pressures to be competitive in hiring and staff retention.
2. Money for a .5 FTE to fully fund Youth Transition Program
3. Hire 2 FTE's to provide services in rural areas; one on the eastern part of service area (most likely Rugby) and one on the western part

Freedom Resource Center
1. Hire staff to provide services in the southwestern part of quadrant (Logan, LaMoure, McIntosh, Dickey, and Sargent counties)
2. Continuation funding for half time advocate position in Fargo.
3. Additional staff person in Fargo, Jamestown and Wahpeton.

Options RCIL
1. Open outreach office in Carrington
2. One additional staff in Devils Lake and two additional staff stationed out of the Grand Cities.
3. Remaining funds would be used to increase the pay of staff in order to stay competitive and to give cost of living raises for staff who have not received raises in three to four years.

How is independent living unique among disability organizations?

- Centers for Independent Living offer four core services that are intended to assist people with disabilities to have more control over their own lives. These services are available to any person with any type of disability regardless of any age, geographic location, or economic status.

- Centers for Independent Living work within communities to help them become more accessible and user-friendly for all people with disabilities. 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 in which they choose to live.

- North Dakota Centers for Independent living are consumer-driven community organizations. A majority of our staff, board and management staff are people with disabilities from the areas we serve, who use their personal experience as a basis for the services that are provided based on the needs of the area as reported by the people.

- CIL's make use of volunteers with disabilities to provide peer support to other people with disabilities, but also to use their personal experiences as a basis for our organizational and advocacy direction. This personal experience with disability sets CIL's apart from other traditional service providers.

- Centers for Independent living promote self-determination and empowerment for people with disabilities through direct one-to-one and group services including skills training, individual advocacy, information and referral, and peer support. Independent Living has the concept of consumer control, whereby people with disabilities coming to them for services have the final say in what it is they want to accomplish. Consumers are responsible for their own actions.

<u>Rationale for funding request</u>

- The Independent Living program is part of the state/federal rehabilitation system. It is authorized by both state and federal law. The full array of services is not, however, available to every citizen of the state who would be eligible due to lack of resources. As a service-based industry, more staff is needed in order to reach unserved and underserved areas of the state.

- The Statewide Independent Living Council (SILC), appointed by the Governor, has developed a plan for a statewide network of Centers for Independent Living. In order to be realized, this plan needs the influx of additional revenue.

- 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.

Fiscal Year 2012 funding levels for North Dakota Centers for Independent Living

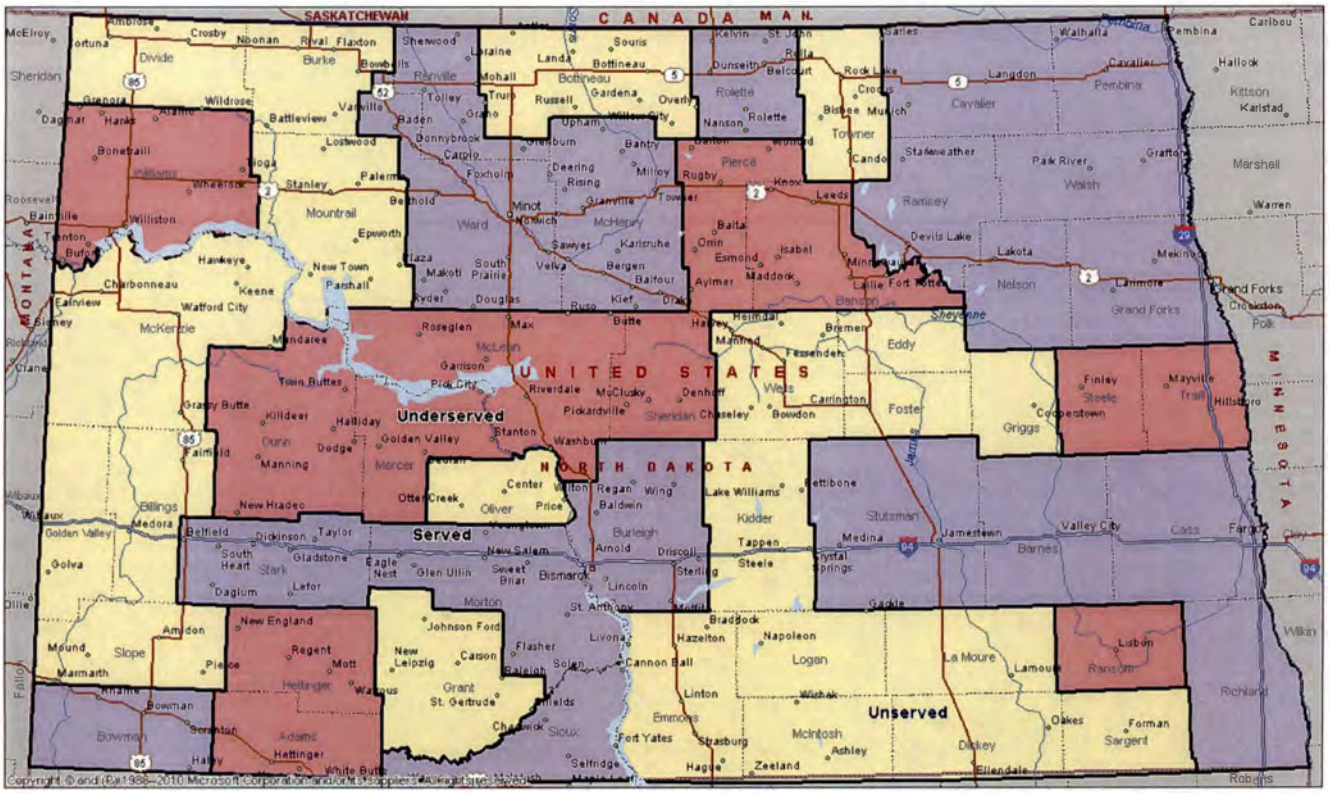
	U.S. Dept. of Education direct funding. (Federal fiscal year)	*ND Dept of Human Services I.L. Awards (half of biennial appropriation)	Total (per year)
Dakota Center for Independent Living, Bismarck	$408,527	$79,661	$488,188
Independence Inc., Minot	$127,276	$283,716	$410,992
Freedom Resource Center, Fargo	$190,349	$226,091	$416,440
Options Resource Center, Grand Forks	$132,918	$278,563	$411,481
Total IL funds			$1,727,101 per year ($3,454,202 Per biennium)

*This column includes State Funds, Federal Pass Through Funds and Social Security Reimbursement Funds. Social Security Reimbursement Funds were distributed to Centers to replace state funds cut, at the time the only unmatched state funds received were those earmarked for the Independent Living Program. It is the wish of Vocational Rehabilitation that these funds totaling $ 244,000.00 be replaced with State funds, increasing the amount of this request to $ 1,989,798.00 a biennium.

Funding request

With a base level of $650,000 per year in funding, the Centers for Independent Living estimate they would have a presence in every county of the state. This would total $2.6 million per year, or $5.2 million per biennium. To replace Social Security Reimbursement Funds and increase State funding to minimum funding levels an additional $ 994,899.00 per year/ $ 1,989,798 per biennium would be needed, which would result in the entire state having access to independent living services on at the very least a limited level.

Served, Unserved,Underserved Areas: 2011-2012



19 counties served (purple)

12 counties underserved (orange)

22 counties unserved (yellow)

Served (definition)

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 consumer needs. 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 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 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.

Center Service Areas

The map above shows the current Center's Service area. The State Independent Living Council set the service areas based on analysis of population and geographic area at the time. At the time demographers estimated that the eastern part of the state's population growth was to outpace the western, resulting in service areas that were designed smaller.

If funding levels were increased, Centers would look to a variety of methodologies to provide service to those areas currently underserved or unserved, based on the need of the individual service area and the most economical means to provide the service. To accomplish this to date Centers have hired additional staff within a particular office or opened an outreach office in a rural location.

Dakota CIL, Bismarck

With additional dollars requested Dakota CIL would add 2.5 FTE's. Ideally, we would like to place them in the northern part of our service delivery area such as Hazen/Beulah and Killdeer and near Mott in the southern part of our service delivery area. This will depend on being able to hire qualified staff in these areas and find affordable office space. If that is not feasible the 2.5 FTE's would be in the Bismarck and Dickinson offices. A small portion of these funds would also be used to increase salaries in the Dickinson office to try and stay competitive with the job market in that area.

Independence Inc., Minot

With additional dollars requested Independence would first increase the salary and benefit package in order to remain competitive in the hiring process and better retain well-trained competent staff. Then we would add 2.5 FTE's. The first .5 FTE would make the Youth Transition program permanent and would ensure that schools thorough out our service area could continue to receive those services. With the other two FTE's we would add Community Relations Specialists to serve the unique barriers that are being faced in our areas. These Community Relations Specialists would work with individuals with disabilities, business, and local governments to remove the barriers that limit full participation of people with disabilities. One would be assigned to work primarily in the western-most counties of our service area. They would work to provide technical assistance and expertise to the area that is being strained during the oil boom. The second would work out of the eastern part of our service area, and would be responsible for serving the area in and around the Turtle Mountain Indian Reservation.

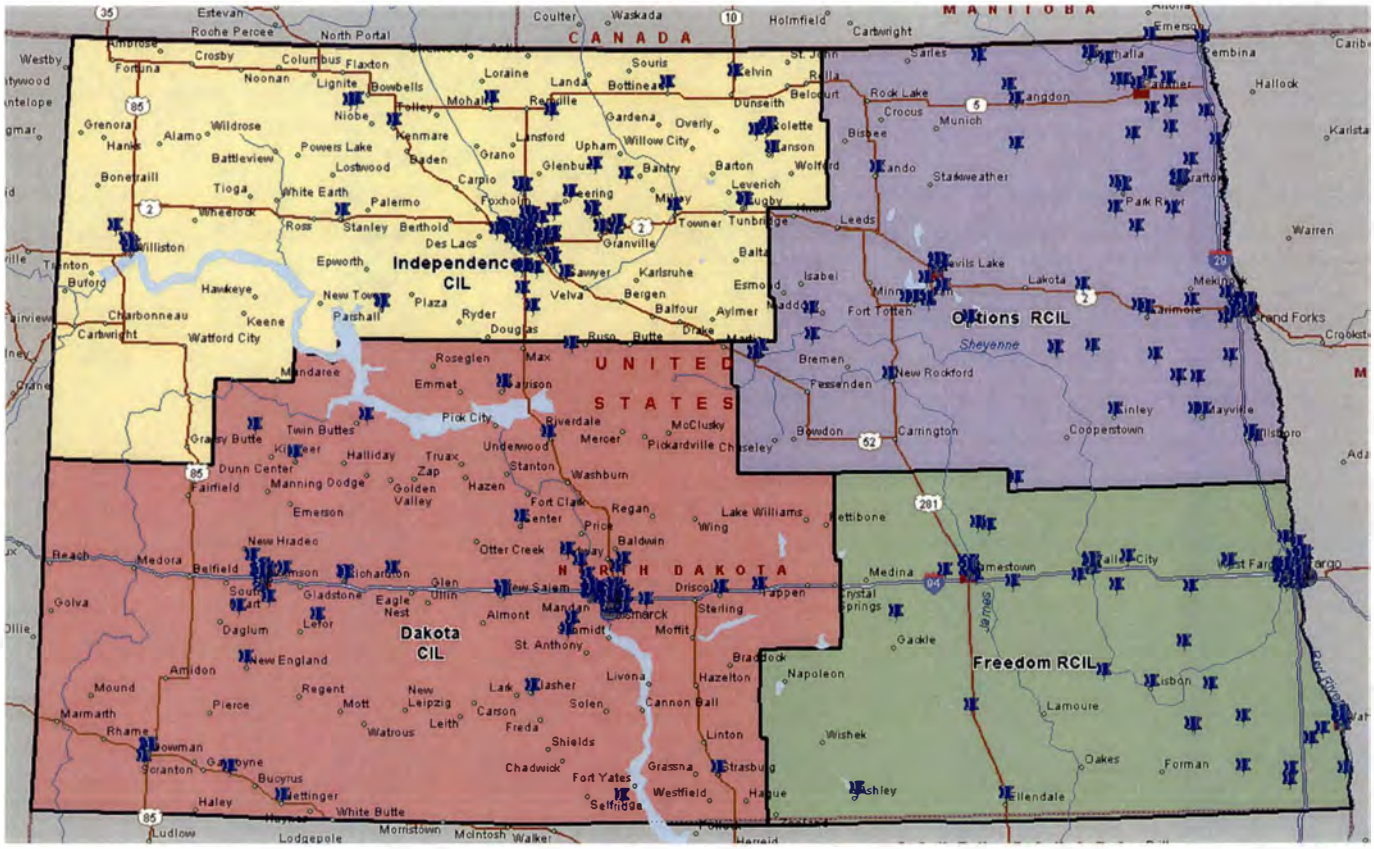
Freedom Resource Center, Fargo

Freedom's first priority regarding expansion plans would include adding staff to serve McIntosh, Logan, LaMoure, Dickey, and Sargent counties. The second priority would be to continue funding for a one half-time advocate position in Fargo. After taking care of those priorities, the Center would look to add staff to its Fargo, Jamestown, and Wahpeton offices to provide services to people unserved/underserved. Freedom would also like to hire a .5 FTE position to work on community and home accessibility issues.

Options IRCIL, Grand Forks

Options' expansion plans include adding an outpost office in Carrington to cover the southwest corner of Options' service area utilizing 1 FTE. Remaining funds would be used to add additional staff to increase Options' presence within the northwest, southeastern and south-central portions of the quadrant. This would include one additional staff person stationed in Devils Lake as well as two additional staff stationed out of the Grand Cities. One person would cover the south and the other would assist with staffing Grand Forks County. Remaining funds would be used to increase staff pay to stay competitive and to give raises to staff who have not received cost-of-living increases in three to four years.

Scatter Map of People with Disabilities Served Through Direct Service



This map shows the impact of additional staff in unserved areas of the state. The two newest branch offices that have been opened utilizing additional state general fund revenue are Devils Lake and Wahpeton. Other branch offices where Independent Living staff are located include Cavalier, Jamestown, and Dickinson.

Centers for Independent Living (CIL) Service Highlights

Individual Services

A Marine who had incurred a severe disability while serving in Afghanistan needed assistance in order to take his driver's test. The Center was able to locate a vehicle with adaptive equipment he could use in order to take his driver's test. As a result the Vet can acquire his driver's license.

A consumer is a US Marine Corps Veteran who served our country in Vietnam. In Vietnam he was exposed to Agent Orange, which resulted in long-term health problems and a service-connected disability. Five years ago, seeking employment, he moved to Upham from Pennsylvania and bought a house. He was able to find employment in Minot, but was told by his employer that he was "uninsurable" due to his medical history. This was a scary position for him to be in considering his health conditions and age. Uncertain of his ability to find employment that would offer both job skills training and medical insurance, he made an appointment with the Center. At the meeting, we discussed many options, and he reluctantly made the decision to consider applying for Social Security Disability; a process he had started several years before but somehow he fell through the cracks. With the Center's guidance, he began the process of applying for benefits. While he found the process frustrating, he stated that each time he had a hoop to jump through "You were there to help."

The Center assisted a 57 year old man in relocating from a nursing facility into his own apartment. The man was born with juvenile rheumatoid arthritis that persisted throughout his life until he was no longer able to work. Both of the man's legs were amputated due to stasis ulcers that affect an individual's lower extremities. The staff helped him find appropriate assistive technology to help with his mobility impairments while assisting in finding a suitable apartment that met his needs, where he remained until his death.

A Native American with multiple disabilities is now living independently in her own apartment. The Center helped her move from a shelter for battered women into the apartment by assisting her with locating housing that fulfilled her needs and funding while she looked for work. The individual is working and is involved with various activities through her church and community. Additional resources were also identified in order for her to fulfill her medication needs through resources found through the BIA.

A middle aged female diagnosed with Neurofibromatosis when she was 4 years old sought services. The disability causes tumors to grow all over her body internally and externally. She was self-conscious about her appearance and refused to take frequent public outings. After learning about the Center's life skills class called "Living Well with a Disability," a ten-week class that teaches people how to set and reach their personal goals, she requested to be involved. After completing the class, she frequents public events, has publicly spoken in front of her entire congregation at church, and is now peer mentoring others.

A man with Asperger's Syndrome came to us because of his frustrations when it came to finding employment. The individual had a Masters in Social Work but was not allowed to receive his counseling degree due to the school's opinion that his impairments were too severe. After being turned down from several jobs, he was growing frustrated and losing hope. The Center started working with him on individual advocacy including communication and social skills. Once he realized people without Asperger's Syndrome see the world differently he changed his perspective and the way he interfaced with the world. Due to this he was offered and took two jobs. Beyond working two professional jobs, the individual is involved with the North Dakota Mental Health Association, and is in a leadership role for a local Asperger's Support Group. He continues to Peer Mentor other individuals.

The Center assisted a 70-year-old female to relocate from a Nursing Facility back to her home in a small rural community. Her home was not accessible and needed a ramp installed. The major change that was needed was the addition of a wheelchair ramp, so the worker coordinated volunteers made up from students from the local high school industrial arts class. The students built a ramp using local contributions for materials, which was also coordinated by the staff person. The ramp was built in sections at the school and transported to her home and assembled. The consumer was also given a power wheelchair, which was donated to the Center when she returned home. She has been seen in the park with her dog and attending community functions that she was never able to do in the past

A 20 year old female who is deaf, with limited sign-language skills met regularly with a staff person and an interpreter to increase her ability to communicate with the outside world. The Center staff assisted her to get technological equipment for her apartment so she could tell if there was an emergency, the telephone rang, or someone was at the door. Additionally, the staff helped her put together communication cards she could use while out in the community in case an emergency arose or to explain her disability.

Long Term Care: Centers collaborate the Money Follow the Person Program to assist people from nursing home care into the community.

Relocation: Center staff assisted an individual with TBI residing in a transitional nursing facility to return to his apartment. Staff assisted him to obtain his driver's license, resources to reimburse for his medications, and to identify funding to repair his vehicle, which he utilizes for his business.

Nursing Facility Diversion: Center staff assisted an individual with mental illness from being wrongly evicted from her apartment, putting her at risk for re-institutionalization. Due to a personality conflict, the landlord was threatening eviction and wrongly accused the individual of problems within the apartment. Center staff worked with the individual to establish self-advocacy skills and the assistance of ND Legal Services. Through this process it was found that the landlord had no grounds to evict the individual from the apartment. The landlord was sent a notice by ND Legal Services to not harass or make any unfounded complaints against the individual. Since then, the landlord has maintained a cordial relationship with the individual and the person continues to live independently in her apartment.

Education: Provided advocacy skills trainings and disability awareness trainings to high school aged (transition) and university students. Participated with parents in IEP meetings with school officials.

Transportation: Collaborated with local and state transportation and transit providers to provide enhanced local access, availability and affordability to the elderly and those with disabilities.

Independent Living Skills Training: Center staff collaborated with a public school to provide additional skills instruction for students with disabilities needing such in order for them to have a better chance in passing their drivers permit test. To date, six students have completed the driver's education training and four have received their driver's permits.

Assisted a 70 year old man with a double leg amputation to obtain a vehicle lift for his pickup through the Center's Equipment Program. By utilizing the lift he is able to put his wheelchair in the box of his pickup independently putting spontaneity back into his life.

Recreation: Provided recreational outings such as fishing, hunting, dances and other leisure time activity for youth and adults with disabilities.

Technology: Center for Independent Living staff assisted a person to obtain a grant through IPAT Peddling for Possibilities program to get a new IPAD for communication. This person was in an accident several years ago and lost his ability to speak. This new communication device is much more advanced than his last one, and has much more clarity.

Community Services

Protection and Advocacy of North Dakota requested assistance due to an accessibility complaint they had received about the accessibility of North Dakota's Capitol. As a result the Center did an accessibility evaluation and recommended that various features be addressed in order for the building to be compliant. As a result the issues were addressed by capitol facilities and the problems rectified.

The Center has provided training to groups on the employment provisions of the Americans with Disabilities Act (ADA). One of the groups was the student human resources club at a local university, and the other a support group for people with epilepsy. Topics covered included essential job functions, reasonable accommodations, and how employees and employers should work together to enhance the chances of a successful outcome.

The Center has a task force that works toward community accessibility. As part of their efforts, they reviewed plans and provided suggestions for accessibility improvements to a new office building. Another activity of the task force is to list accessible businesses on the organization's website, providing important information to visitors and citizens on businesses where they should not encounter environmental barriers.

Center staff brought up an accessibility concern to a chamber of commerce regarding their upcoming sidewalk sale. Curb cuts and paths of travel had been blocked in the past by merchandise. The staff person explained the concern, told the chamber representative what the regulations required, and provided assistance. The result was that the chamber embraced the idea, and held a more accessible event for all.

Accessibility: Provided technical assistance to architects, builders, business and individuals with regard to accessibility regulations.

Durable Equipment Loan Program: Two CIL's have established loaner programs, while persons wait for program eligibility or delivery of their own equipment.

An annual independent living fair is held to bring area service providers, vendors and people with disabilities together to create awareness and networking opportunities. The day-long event includes several breakout sessions featuring presentations on disability services and other related topics for community education. Feedback from CIL consumers and the community indicate that the independent living fair provides an wonderful setting for finding resources, information and available services within the our service area.

A local fraternity is assisted every year in their fundraising efforts to raise money in order to purchase materials needed to build ramps for people who do not qualify for any public programs. After raising the funds the fraternity builds the ramp using their members and plans supplied by the Center's accessibility specialist.

-End-

Russell Cusack #23
HB 1012
3-12-13

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations, I am Russell Cusack, Director of Vocational Rehabilitation for the Department of Human Services. I am here today to provide an overview of programs and services that make up the budget request for the Vocational Rehabilitation Division for the Department.

Programs

The Vocational Rehabilitation Division contains two units: Vocational Rehabilitation and Disability Determination Services.

The Vocational Rehabilitation (VR) unit is made up of 10 FTEs responsible for the administration of Titles I, VI and VII of the Rehabilitation Act as amended. The staff is responsible for the needs assessment, staff training, state plan development and outcome monitoring, policy development, quality assurance, oversight of expenditure of federal VR funds, and compliance with federal rules. To carry out these responsibilities, VR policy staff interact regularly with the VR staff located at the human service centers, and with community businesses, schools and universities, Job Service North Dakota, the State Rehabilitation 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 U.S. Department of Education and Rehabilitation Services Administration (RSA), along with the required state general fund match. The federal portion of the funding is nearly

79 percent, and the state general fund match comprises approximately 21 percent of the budget.

In addition, VR has other federally funded programs that contribute toward our mission of independence and employment for persons with disabilities, such as:

- **Older Blind Program** which provides vision rehabilitation services to people at least age 55 who are blind or visually impaired. The primary mission of the Older Blind Program is to teach older blind individuals skills that allow them to remain in their own homes.
- The Division contracts with the **Interagency Program for Assistive Technology (IPAT)**. IPAT provides assessment, training, and lending services to individuals with disabilities. Many of the assistive devices IPAT recommends or loans to individuals are at low-cost, but make a significant difference in individual's activities in learning, working, and remaining independent in their own homes.

The Disability Determination Services (DDS) unit includes 24 FTEs responsible for individual eligibility determination for Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) statewide. DDS determines medical eligibility for individuals who have filed for disability benefits with the Social Security Administration (SSA). The funding for DDS is 100 percent federal funds.

Caseload/Customer Base

Vocational Rehabilitation – Federal Fiscal Year (FFY) 2012

- 5,852 individuals received employment services through VR.
- 18,170 individuals received independent living services.
- 921 individuals were served through the Older Blind Program.
- 143 clients is the average caseload size for a VR counselor.

Disability Determination Services

- 6,376 eligibility determinations were made for SSDI/SSI benefits.

Program Trends/Major Program Changes

The VR program has experienced level federal funding while program costs have risen, especially in higher education and training expenses. After consultation with the federal RSA, the Department implemented an Order of Selection in March 2012. Order of Selection is described in federal regulation as a method to manage the Division's fiscal resources when there are not sufficient funds to serve all eligible individuals. In March 2012, there were 2,558 clients participating in the VR program. These individuals continue to receive services; however, the amount of the Division's financial participation in some instances has changed. Individuals that applied or had been determined eligible but who did not have a current Individualized Employment Plan were placed on a wait list. The method the Division is using to manage the wait list is based on a federally approved priority category process. Federal law and state regulations require that the individuals with the most significant disabilities be served first. VR has three priority categories:

- Priority Category I - Individuals with the most significant disabilities
- Priority Category II - Individuals with significant disabilities
- Priority Category III - Other individuals with disabilities

In addition to implementing Order of Selection, the Division has reviewed VR policy and has made changes to ensure available funds can be used most effectively and to positively impact the greatest number of people.

In December 2012, the Division began serving some individuals previously placed on the Order of Selection wait list.

The Department will continue to review expenditures, funding, and projected costs monthly to determine the rate at which individuals can be brought off the wait list.

Overview of Budget Changes

Description	2011 – 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	5,081,094	32,159	5,113,253		5,113,253
Operating	2,042,686	(74,895)	1,967,791		1,967,791
Grants	20,735,802	(2,331,397)	18,404,405	50,000	18,454,405
Total	27,859,582	(2,374,133)	25,485,449	50,000	25,535,449
General Fund	5,027,758	434,427	5,462,185	50,000	5,512,185
Federal Funds	22,736,824	(2,798,560)	19,938,264		19,938,264
Other Funds	95,000	(10,000)	85,000		85,000
Total	27,859,582	(2,374,133)	25,485,449	50,000	25,535,449
FTE	34.00	0.00	34.00	0.00	0.00

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $32,159 and can be attributed to the following:

- $113,136 in total funds, of which $7,670 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $106,184 in total funds, of which $12,089 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $22,290 in total funds, of which $4,748 is general fund to provide for the annual and sick leave lump sum payouts for two FTEs expected to retire in the 2013-2015 biennium.
- $205,451 decrease in total funds due to the elimination of temporary employee positions.

- $4,000 decrease in total funds is a combination of increases and decreases needed to sustain the salary of the 34 FTEs in this area of the budget.

The Operating line item decreased by $74,895 (3.7 percent), and the majority of the changes can be attributed to the following:

- Decrease of $33,675 in medical consultant contracts for DDS to complete the number of disability claims required by the federal Social Security Administration due to the implementation of a new payment rate schedule.
- Decrease of $108,890 in one-time equipment purchases of office furnishings and touch-screen systems for regional offices.
- Decrease of $117,972 in operating fees and services, which is comprised of reductions due to the end of a media outreach contract and increases in additional contracts for motivational training and the revision of informational DVDs.
- Increase of $100,019 in travel related to required federal meetings and additional training for regional staff related to the new case management system.
- Increase of $46,442 in printing for the updating of consumer information packets.
- Increase of $26,995 in postage for the mailing of DDS client records to the federal Social Security Administration.
- Increase of $15,499 for professional development activities for counselors working on a master's degree program. A master's degree is required to meet the Qualified Rehabilitation Professional (QRP) standards. Colleges have less grant funds available for tuition costs.

The Grants line item decreased by $2,331,397 (11.2 percent) and can be attributed to the following:

- Increase of $175,075 reflects a full biennium contract with Protection and Advocacy Project to provide Client Assistance Program services to consumers.
- Increase of $800,000 for the Centers for Independent Living to provide services to consumers.
- Increase of $866,900 for DDS payments due to the increase in the volume of claims.
- Decrease of $4,074,814 in client services due to program changes made in conjunction with the Order of Selection and to make sure client service grants are sustainable within the annual federal funding allotment.
- Decrease of $98,558 related to reductions in various contracts.

House Changes:

- Increase of $50,000 general fund for the division's Older Blind Program.

This concludes my testimony on the 2013–2015 budget request for the Vocational Rehabilitation Division of the Department. I would be happy to answer any questions.

Vickay Gross
HB 1012
3-12-13

#24

Testimony

House Bill 1012 – Department of Human Services

Senate Appropriations Committee

Senator Holmberg, Chair

March 12, 2013 – Public Comment

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Vickay Gross, Disabilities Advocate for the Protection & Advocacy Project. I am here today to provide testimony regarding the Department of Human Services 2013-2015 budget request, specifically funding for Vocational Rehabilitation and related services.

It is estimated that North Dakota has over 20,000 job openings statewide. As a result there are greater employment opportunities in our state for all North Dakotans including people with disabilities. We have people with disabilities eager to work and employers looking for qualified employees. However, there are wait lists for services needed to help people with disabilities to go to work. Vocational Rehabilitation is in an order of selection resulting in a waiting list for training, placement and stabilization services. Extended services are inadequate to provide the on-going support to assist people with most significant disabilities to maintain their employment. In addition, benefits planning services are very limited with only one part time person to provide services statewide.

The Department of Human Services OARs for the 2013-2015 Biennium included funding for extended services and benefits planning. The extended services funding would provide on-going support to assist people to maintain the integrated competitive, community-based employment achieved under Supported Employment through Vocational Rehabilitation. According to the description of the OAR, the division calculates that it will require an

additional $18,800 to maintain the current number of individuals in the program. Additionally, the division currently has 24 individuals in the Supported Employment training and stabilization phase. The OAR was for an additional $201,600 to support people with disabilities to maintain employment in the 2013-2015 biennium. The OAR for employment benefits planning would support a statewide system of benefit planning services to all clients of the Department of Human Services. Benefits planning is a valuable service to people with disabilities who need help navigating the complex benefits system when they choose to go to work. DHS was requesting $540,000 for benefits planning for the 2013-2015 biennium. However, neither of these OARs was funded in the Executive Budget. There was no OAR proposed to address the waiting list for services through Vocational Rehabilitation.

Employment should be the first and preferred outcome for people with disabilities. Services such as extended services, benefits planning and Vocational Rehabilitation are necessary to assist many people with disabilities to go to work. It also provides employers another worker pool to help them meet their workforce needs.

In closing I would ask that this committee take the initiative to add funding to the DHS budget for extended services, benefits planning and Vocational Rehabilitation services.

Thank you for allowing me the opportunity to comment on HB 1012 for the Department of Human Services budget. I would be happy to answer any questions you may have regarding my testimony.

Barbara Murry
HB 1012
3-12-13

#25

TESTIMONY
House Bill 1012 – DHS / Vocational Rehabilitation
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am submitting written testimony on the Vocational Rehabilitation section of HB 1012

The North Dakota Association of Community Providers is made up of 29 organizations across the state. Almost all of the organizations provide vocational services under contract with the DHS Division of Vocational Rehabilitation.

We are requesting support for the unfunded OAR which would allow for benefits planners within the state. At the current time, funding has decreased and there is only 1 part-time benefits planner for the entire state. Without the valuable information provided through this service, people are often fearful of losing benefits, and chose not to work, when then could keep benefits and join the workforce.

Chairman Holmberg, I would be happy to respond to any questions.

Barbara Murry
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Barbara Murry
HB 1012

#25A

TESTIMONY
House Bill 1012 – DHS / Vocational Rehabilitation
Senate Appropriations
Senator Holmberg, Chairman
March 14, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am submitting written testimony on the Vocational Rehabilitation section of HB 1012. I apologize for not having the testimony ready during public comment. Discussion following our March meeting this week and our concerns over the impact on employment services over the next biennium led to the decision to make the issue known to Senate Appropriation, in hope you will be able to assist us. Increases in reimbursement need to be provided so service providers can meet their costs. The SEP program, along with VR Extended Services and Mental Health Extended Services have not received any reimbursement increases (inflationary or otherwise) since 2007. Increases prior to that 2007 were few and far in between. Because the program was small, providers did their best to provide services without increases. We have now reached a point that we can't continue to cover our costs.

The North Dakota Association of Community Providers is made up of 29 organizations across the state. Many of the organizations provide vocational services under contract with the DHS Division of Vocational Rehabilitation. The numbers anticipated to be served in SEP over the next biennium are relatively small, having been impacted by the order of selection taking place in Vocational Rehabilitation.

We asked Vocational Rehabilitation for their cost figures to look at the budgetary impact of our request. They did not send us information that could be used to give you a fiscal impact for this change. They did send a table showing the rates for the program in 2007, and the increases that would have been put in place if they had given the same inflationary increase that were granted by the Legislature for DD services. I have attached that chart for your reference.

We respectfully request that VR SEP, and Extended Services providers for VR and Mental Health be given a 4% increase each year of the biennium, with the same wage pass though that will be allowed for DD providers. The Vocational Rehabilitation Division of DHS could provide the fiscal statement.

I again apologize for the lateness of this request, and appreciate your support in considering an amendment to HB 1012 to remedy this situation.

Chairman Holmberg, I would be happy to respond to any questions.

Barbara Murry
220-4778
barbndacp@midco.net

Calculation of Supported Employment Rate Changes for Inflation Factored from 2007-2009 through 2013-2015

Job Coaching Payment Schedule	Initial	July 2007	July 2008	July 2009	July 2010	July 2011	July 2012	July 2013	July 2014
Pre-Placement & Job Development									
Rate 1	$ 700.00	$ 728.00	$ 764.40	$ 810.26	$ 858.88	$ 884.65	$ 911.19	$ 947.64	$ 985.55
Rate 2	$ 1,000.00	$ 1,040.00	$ 1,092.00	$ 1,157.52	$ 1,226.97	$ 1,263.78	$ 1,301.69	$ 1,353.76	$ 1,407.91
Training:									
Month 1	$ 1,000.00	$ 1,040.00	$ 1,092.00	$ 1,157.52	$ 1,226.97	$ 1,263.78	$ 1,301.69	$ 1,353.76	$ 1,407.91
Month 2	$ 750.00	$ 780.00	$ 819.00	$ 868.14	$ 920.23	$ 947.84	$ 976.28	$ 1,015.33	$ 1,055.94
Month 3	$ 750.00	$ 780.00	$ 819.00	$ 868.14	$ 920.23	$ 947.84	$ 976.28	$ 1,015.33	$ 1,055.94
Month 4	$ 500.00	$ 520.00	$ 546.00	$ 578.76	$ 613.49	$ 631.89	$ 650.85	$ 676.88	$ 703.96
Month 5	$ 500.00	$ 520.00	$ 546.00	$ 578.76	$ 613.49	$ 631.89	$ 650.85	$ 676.88	$ 703.96
Month 6	$ 250.00	$ 260.00	$ 273.00	$ 289.38	$ 306.74	$ 315.94	$ 325.42	$ 338.44	$ 351.98
Month 7	$ 250.00	$ 260.00	$ 273.00	$ 289.38	$ 306.74	$ 315.94	$ 325.42	$ 338.44	$ 351.98
Month 8	$ 150.00	$ 156.00	$ 163.80	$ 173.63	$ 184.05	$ 189.57	$ 195.26	$ 203.07	$ 211.19
Month 8	$ 150.00	$ 156.00	$ 163.80	$ 173.63	$ 184.05	$ 189.57	$ 195.26	$ 203.07	$ 211.19
Additional months	$ 150.00	$ 156.00	$ 163.80	$ 173.63	$ 184.05	$ 189.57	$ 195.26	$ 203.07	$ 211.19
Final Payment	$ 1,500.00	$ 1,560.00	$ 1,638.00	$ 1,736.28	$ 1,840.46	$ 1,895.67	$ 1,952.54	$ 2,030.64	$ 2,111.87
Inflation Rate		4.0%	5.0%	6.0%	6.0%	3.0%	3.0%	4.0%	4.0%

Barbara Murry
HB 1018

Allan Peterson
HB 1012
3-12-13

#26

Testimony in support of the Older Blind Program Appropriation within House Bill 1012.

Submitted to Senator Ray Holmberg, Chair and Members of the Senate Appropriations Committee, North Dakota 63rd Legislative Assembly.

Re: Testimony specifically offered in reference to the Appropriation provided for the Older Blind Program within the Division of Vocational Rehabilitation, North Dakota Department of Human Services for the next biennium of 2013 – 2015.

Submitted By: Allan Peterson, Co-Legislative Liaison, North Dakota Association of the Blind (NDAB).

Home address: 7009 Horseshoe Bend, Horace, ND. I reside in state legislative District 22
Office phone: (701) 231-6040; Home: (701) 282-4644; cell: (701) 429-7209
Email address: apeterson6@q.com

Greetings Chairman Holmberg and members of the Senate Appropriations Committee.

We are testifying on our own behalf as well as to help represent the advocacy goals of the North Dakota Association of the Blind; our testimony is directed to address the Human Service Appropriation for the Older Blind Program within the Division of Vocational Rehabilitation for its operation during the next biennium of 2013 - 2015. It's our firm belief that the funding for this program in the proposed Human Service Budget isn't adequate to meet the needs of the people it is directed to serve.

A resolution, in support of increasing the state's appropriation for the Older Blind Program, was unanimously adopted at NDAB's most recent Convention that was held June 8-10, 2012 in Bismarck. Refer to the said resolution which is attached to this testimony.

In North Dakota, the Older Blind Program is administrated by the Division of Vocational Rehabilitation within the Department of Human Services. Funding for the program is generated through a 90% grant from the federal government that requires a minimum appropriation of 10% from the state. Federal funding for the program is authorized under the U.S. Rehabilitation Act.

The federal funding for the Older Blind program is allocated to the state's on the basis of population size. Because North Dakota's population base is small in relation to other more populated states, it receives what is termed a minimal allocation. Minimal federal funding is a problem for the program here in North Dakota because our state is geographically large in relation to its population size, which necessitates a lot of travel to see clients. In addition, our state has more people in the older age ranges, which experience a much higher incidence of sight loss. Furthermore, sequestration of federal funding has now cut 5.1% out of North Dakota's minimal state allocation for the Older Blind Program, which eliminates over$22,000 that the state program would have receive in the next biennium. The loss of federal funding means that there will be even less funding to meet client needs.

The Older Blind Program is specifically directed to serve persons who are 55 years of age and older. Although there have been significant advances made in eye care, sight problems such as macular degeneration, diabetic retinopathy, glaucoma, and cataracts continue to be primary sources of vision impairments and blindness, particularly for those persons who are 55 and older.

The professional staff that are trained to provide the services the Older Blind Program offers are called vision rehabilitation specialists. In North Dakota there are 7 vision rehabilitation specialists assigned to work in each of the state's 8 defined Human Service regions. Most often the vision specialists employed in the older blind program will travel to a client's home to do an assessment of needs and provide the services and counseling that is needed in a home environment.

The training that the vision specialists provide is personalized to meet individual client needs. The assistance provided includes training using vision and mobility aids, information on where to get additional help, demonstrating the use of aids and appliances, and help with modifications people can make in their home environment to deal with sight loss. The services of the vision specialists has helped hundreds of our older citizens who have experienced severe sight impairments to become more independent and enjoy a more productive and fulfilled life in spite of having lost some or all of their eyesight.

The skills and aids that the vision rehabilitation specialists provide to older citizens with sight loss, does much to help them stay in their own homes and postpone or avoid institutionalized nursing home care. The cost savings that are gained by postponing or avoiding institutionalized care and the increased sense of wellbeing and dignity that are realized by being more independent are compelling reasons for the state to make a Significantly Larger appropriation for the program in North Dakota.

During the last reporting year, North Dakota vision specialists served 921 clients. Due to funding limitations in the Older Blind program an average of only $46 could be spent per client. Many of the clients served are elderly and live on fixed incomes so for them to purchase a vision aid that would help them is difficult or impossible.

The rural character of our state and limitations on access to public transportation can mean those who experience severe sight loss are isolated and very dependent on others. Consequently the aids and skills that vision specialists can provide are highly valued by those who are served by the program. Many individual testimonials can be offered that verify the value of this program during its existence in North Dakota.

Allan Peterson
HB 1012
3-12-13

#27

North Dakota Association of the Blind

NDAB Resolution 2012-01: The 2013-2015 biennial appropriation Allocated to the North Dakota Vocational Rehabilitation Older Blind Independent Living Program.

Whereas, the North Dakota Data Census Center projects that by the year 2015, a minimum of 14,335 citizens of the state will have experienced medical conditions that will have resulted in a significant loss of their eyesight, of this number 10,283 will fit the definition of persons with "low vision" and the remaining number in excess of 4,000 will fit the definition of persons that are "legally blind"; and,

Whereas, demographically, North Dakota has the highest proportion of people per capita over the age of 85 than any other state in the nation and, this is the subpopulation of people that by far has the highest incidence of blindness and visual impairment; and,

whereas, seniors who receive blindness rehabilitation skills training to adjust to sight loss often can avoid or postpone institutionalized care and live more productive, fulfilling and happier lives, And;

Whereas, the current budget for the older blind program fails to meet the costs that this program realizes because, (1) the federal government funds the program in North Dakota at a minimum level due to the small proportional number of people who live here, and (2) travel costs are significant because the vision specialists employed in the program need to meet with people in their home settings to do a proper evaluation and training and (3) there has not been a cost of living adjustment in the program's budget for several years, and;

Whereas, due to the funding limitations this program has experienced in recent years, the amount of resources that have been available to meet individual client needs has been severely restricted;

Now, Therefore, be it resolved that the North Dakota Association of the Blind in convention assembled on this day of Sunday, June 10th 2012 at the Doublewood Best Western Inn in Bismarck, urge the 63rd North Dakota Legislature to appropriate at least $150, 00 of state funding in the next state 2013 – 2015 biennial budget for the Vocational Rehabilitation older blind program. Federal funding for the Program is authorized through (Title 7, Chapter 2 of the Rehabilitation Act). The current level of revenues received by the state of North Dakota for the Older Blind program from the federal government is $225,000 per annum; a state appropriation of $150,000 for the next biennium would fund the program at $300,000 per annum.

"Not He Who Lacks Sight,
But He Who Lacks Vision Is Blind."

www.ndab.org

Allan Peterson
HB 1012
3-12-13

#28

Facts about North Dakota Vocational Rehabilitation's Older Blind Program:

- The Older Blind Program is a combined federal – state program designed to help serve people 55 and older who have loss of eyesight which cannot be corrected medically. The program is funded by a 90% grant from the federal government which requires a minimum appropriation of 10% from the state. In North Dakota, the Older Blind Program is administrated by the Division of Vocational Rehabilitation within the State Department of Human Services.

- The professional staff that are trained to provide the services that the Older Blind Program offers are employed by the state as vision rehabilitation specialists. The program's 7 vision rehabilitation specialists are each assigned to serve in one of the 8 state Human Service regions.

- The vision specialists employed in the older blind program typically travel to a client's home to do an assessment of needs and provide the services and counseling that would be beneficial for that client. The program is designed to be "one on one" to meet the needs of the individual client – this is particularly helpful for our older citizens who may be dealing with multiple health issues.

- Federal funding for the Older Blind program is allocated to the states strictly on the basis of population size. Because our state's population base is small in comparison to other more populated states, North Dakota receives what is termed a minimal allocation. A minimal allocation is a problem for the program here in North Dakota because our state is geographically large in relation to its population size, which necessitates a lot of travel to see clients. In addition, our state has more people in the senior age ranges that have a much higher incidence of sight loss.

Why does North Dakota need a greater state appropriation for the Older Blind Program?

- Although the program served 921 clients last year, there are **hundreds and even thousands of our older citizens** who could be served if this program were strengthen and its benefits promoted to a greater degree among health care workers and the citizenry of our state.

- During the last biennium, the vision rehabilitation specialists were limited to spend **on average $46** per client. The $46 doesn't buy much in the way of visual aids to improve the lives of our elderly citizens who are losing their eyesight and often must live on a fixed income plus; the cost of equipment has risen and appropriations for the program haven't increased for some time.

- If no additional state funding is appropriated for the program in the upcoming biennium, the budget limitations that allowed only an average of $46 to be spent per client during the present biennium, will be even less for the 2013-2015 biennium because we know that the number of clients will increase and some funding to supplement the program won't be available anymore.

- Most of the program's clients are **75 years of age and older and have contributed much to their communities during their lifetimes**. Health conditions and financial status has limited the discretionary money they have to spend on visual aids that would be of immense help to them.

- Although some significant advances have been made in eye care, sight problems such as macular degeneration, diabetic retinopathy, glaucoma, and cataracts still are primary causes of sight loss for many senior citizens. Conservative estimates are that 2 to 3 percent of our population has a sight condition that isn't correctable; the percentage for seniors is much higher.

Recommended Action: North Dakota Association of the Blind (NDAB) strongly urges the North Dakota Legislature to amend HB1012, the Appropriations bill for Human Services, so that the state appropriation for the Older Blind program for the 2013-2015 biennium would be at least $150,000; NDAB passed a resolution to this effect at its June 2012 state convention in Bismarck.

Zelda Gebhard #29

Testimony in Support of House Bill 1012 HB 1012
3-12-13

Submitted to:

Chairman Ray Holmberg and Members of the North Dakota Senate Appropriations Committee

Focus: Appropriation provided for the Older Blind Program in the Division of Vocational Rehabilitation in the Human Services Department for 2013-2015.

Submitted by:

Zelda Gebhard, 8169 66th St SE, Edgeley, 58433

Home 701-493-2399, Office 701-493-2541, Email: zgeb@drtel.net

Co-Legislative Liaison, North Dakota Association of the Blind (NDAB)

Former State Rehabilitation Council member and chair.

Chairman Holmberg and members of the committee:

I am here today to urge you to raise the funding of the Older Blind Program which is under the Division of Vocational Rehabilitation within the Department of Human Services.

As a person living in North Dakota with low vision and as a representative of the North Dakota Association of the Blind, I ask you to increase the funding of the Older Blind Program to closer align with the rapidly rising need of our aging ND residents.

You are well aware that ND ranks number one in the nation with the number of residents over the age of 85 per capita. Because of that

aging population and the sight loss that occurs more frequently in the elderly as a result of a number of conditions including diabetes and macular degeneration we will continue to see an increasing need for vision services in ND. The ND Data Census Center projects that by the year 2015 we will have over 14,000 citizens with significant sight loss in ND.

The Older Blind Program served 921 people last year through vision specialists working from the eight regional offices across the state. To qualify for the program an individual must be 55 or older. People served are usually seen, evaluated and given advice and recommendations on how they might live safer, more productive and independent lives in their own homes. The vision specialists are very effective in accomplishing this task with minimal resources which last year averaged $46 per person served. That $46 doesn't buy much. It might buy a magnifier, talking clock, talking calculator, white cane, talking scale or talking blood pressure cuff. Some of these devices might prevent an emergency room visit or hospitalization . Others might help an individual to continue doing their bill paying or business independently.

This very valuable program can prolong the length of time our ND citizens can stay in their own homes and likely postpone the need for costly long term care.

Again, I urge you to consider raising the funding for the Older Blind Program. This would enable our vision specialists to help more individuals to maintain their productivity and independence.

#30

Testimony from a vision rehabilitation specialist about her meeting with a client:

I would like to urge you to amend **HB 1012** to increase the appropriation to at least $150,000 for The Older Blind Program. As a former Vision Rehabilitation Specialist I would like to share with you how important the program is for many of our North Dakota citizens.

After knocking on the door of my client he opened the door and by the look on his face he was surprised to see me with a large tote in my hands. He insisted in helping me get it into his living room where we started to converse about his vision loss. Through the interview with him, I was able to determine the things that he could see and those that were too blurry and were not possible for him anymore. Since it was too difficult to see the colors of his clothes, we proceeded to put tactile marks on articles that matched and could be worn together. His thermostat was far too small to be able to set to a comfortable temperature so it was marked so that by lining up two raised dots, it would be at the temperature that he chose. Items from my low vision tote were pulled out to help him with many tasks needed for activities of daily living that a person with clear vision takes so much for granted.

I was able to teach him new ways to do tasks, for example filling a glass of water without spilling it all over, by listening to how the sound quiets as the glass fills. We practiced many times so that he was a pro. He was so pleasantly surprised to discover this as well as other low vision methods. But the most exciting thing for him was yet to come, when I pulled out a variety of different powered magnifiers and we tested them with reading material. When he was handed a 4x power lighted magnifier, he looked down to read, he looked up at me with his face just beaming with a beautiful smile. He looked down again and then again up at me and said, "Why hasn't anyone shown me anything like this before?

That happy man with the beaming smile at being able to actually read again was such a powerful moment for me as a vision rehabilitation specialist. To have witnessed how important this program is when the right vision aids and new methods are taught. It brings hope and new independence into the lives of individuals affected by loss of vision.

Having adequate funding to buy the necessary vision aids and materials is so very important. The elderly population in North Dakota is increasing. More than ever these low cost services will help the elderly remain independent and maintain their sense of well being.

Please vote YES for amending HB 1012 to INCREASE funding for this important program that serves over 900 citizens per year.

Dianne L. Giessinger

Maggie Anderson #31
HB 1012
3-12-13

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services (Department) and will provide an overview of the Traditional Medicaid and the 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 two programs in this budget area; they are Medicaid and the Children's Health Insurance Program (Healthy Steps). This area of the budget provides health care coverage for qualifying families and children, pregnant women, the elderly, and disabled citizens of North Dakota. Attachment A lists the Medicaid Mandatory and Optional Services, and Attachment B lists the services that have a limit or a co-payment.

Caseload

Attachment C shows the Medicaid Enrollment (eligibles) and the unduplicated count of recipients for the last 24 months. To review Medicaid recipient information in more detail, Attachment D and Attachment E are included. Attachment D shows the unduplicated count of Medicaid cases and recipients by county for State Fiscal Year (SFY) 2012, and Attachment E shows the unduplicated count of recipients by age group for SFY 2012.

Attachment F shows the number of children enrolled each month in Healthy Steps for the last 24 months, and also provides the number of children enrolled in Medicaid for the same time period.

Program Trends/Program Changes

The following items were authorized by the 2011 Legislative Assembly and were implemented during the 2011-2012 Interim:

- House Bill No. 1152 authorized a supplemental payment for critical access hospitals. The supplemental payment afforded payments to the critical access hospitals up to their cost for laboratory and certified registered nurse anesthetist services. The Executive Budget recommends extending this funding for the 2013-2015 Biennium.
- House Bill No. 1320 created a new statute (50-24.1-02.10) allowing a deduction for real estate taxes from rental income for individuals screened as requiring, and receiving, nursing care services. The deduction was limited to the amount of real estate taxes the individual is responsible for paying on the property. The statute became effective August 1, 2011.
- Senate Bill No. 2024 allowed medical providers who render services to inmates of county jails to submit the claims directly to the Department for processing. This allows the county jails the benefit of using the Medicaid fee schedule for pricing the claims and reduces the administrative work required of county jail staff. A secondary provision of the bill allows for the inpatient hospital bills of inmates who are otherwise eligible for Medicaid to be submitted to the Department. Federal Medicaid participation is available for payments made on the inpatient claims. This provision will be

implemented with the new Medicaid Management Information System (MMIS).

Children's Health Insurance Program Reauthorization Act

The Department applied for a Children's Health Insurance Program Reauthorization Act (CHIPRA) outreach and enrollment grant in the spring of 2011. The two-year grant was approved at $1.7 million. Through the use of these funds, the Department launched an online renewal system for Medicaid and Healthy Steps, Temporary Assistance to Needy Families and the Supplemental Nutrition Assistance Program on September 1, 2012. The online renewal system allows individuals and families that are currently participating in one of the programs to renew their coverage online and, if necessary, attach supporting documentation.

The CHIPRA grant funds are also being used to develop an electronic verification system to allow more efficient verification of information for applicants and recipients. The new "ND-Verify" system will search multiple interfaces, which will simplify processes for applicants as they will not have to provide verification of information that is available electronically. The system will also save county eligibility workers time as they will no longer wait for verifications or search multiple interfaces and the system will also eliminate potential errors due to missed searches. The "ND-Verify" system is expected to be operational in August 2013.

Dental Access Project

While the Department has observed increased access to dental services for the Medicaid population, we also recognize that additional efforts are needed to improve access to dental services. To accomplish this, the Department initiated a Medicaid and CHIP Dental Access project. The

intention of the project is to increase the number of dentists practicing in private non-profit dental clinics by awarding funds to support the recruitment of dentists by assisting them with repayment of their dental school loans. I am excited to announce that the first of the awards was made last week and the award will be used to assist Bridging the Dental Gap in hiring an additional dentist. In exchange for the award, Bridging the Dental Gap will increase outreach efforts to the Medicaid and CHIP population and also plans to expand their catchment area from a 50-mile radius to a 100-mile radius.

Program Integrity

In an effort to improve and enhance the efforts to identify and investigate suspected fraud or abuse and address Medicaid Program Integrity, the Medicaid Program Integrity staff members have enhanced the fraud and abuse policies and procedures, strengthened audit activities, updated North Dakota Administrative Code 75-02-05 (Provider Integrity), developed a fraud reporting mechanism for ease of reporting, and developed an annual fraud and abuse on-line training session for all staff who have involvement with the Medicaid program.

To further strengthen program integrity efforts, the Department is also requesting a change to state statute (Senate Bill No. 2114) to allow for the collection of civil monetary penalties.

Money Follows the Person Demonstration Grant

In 2007, the Department was awarded a Money Follows the Person (MFP) Demonstration Grant. The grant funding is provided to North Dakota for the purpose of assisting individuals in nursing facilities and institutions that serve individuals with developmental disabilities in transitioning to

home and community-based settings. The passage of the Affordable Care Act extended the grant through 2020. The Centers for Medicare and Medicaid Services (CMS) has authorized 100 percent federal administrative funding to address a variety of services to support the MFP efforts. I will cover the MFP activities in detail within the Long-Term Care Continuum budget testimony.

Medicaid Pharmacy Services

Drug rebate collection percentages have continued to grow to record highs. The Department awaits final rules from CMS to determine the impact of rebate changes included in the Affordable Care Act.

The volume of individual prescriptions costing more than $1,000 continues to rise.

Year	Number above $1,000 per prescription
Calendar Year 2006	1,321
Calendar Year 2007	1,422
Calendar Year 2008	1,620
Calendar Year 2009	1,766
Calendar Year 2010	2,137
Calendar Year 2011	2,737

In total dollars, these large claims have risen from $2.6 million in 2006, to $6.2 million in 2011. In 2012, one Medicaid client started a medication that costs $295,000 per year.

On January 1, 2013, Medicare Part D started covering benzodiazepines and barbiturates for dual eligibles (individuals who qualify for both

Medicare and Medicaid). The Department expects to see future increases to the Clawback payment to cover the cost of this change.

Affordable Care Act (ACA) ~ Health Care Reform

The Executive Budget includes $9.1 million to cover the expected costs of the "previously eligible" individuals. This is a group that is expected to apply for coverage – **regardless of whether there is a Medicaid expansion**. These are individuals who are eligible for Medicaid today, but have not applied for coverage – perhaps because they did not know they qualified, perhaps because they did not have a medical need. In 2014, when the individual mandate within the ACA is in force and considerable federal outreach occurs, it is expected that these individuals will apply for coverage. Those found eligible based on eligibility rules currently in place, will be enrolled in Medicaid and the services they receive will be eligible for 50 percent federal match (which is the Federal Medical Assistance Percentage, effective October 1, 2013) rather than the 100 percent federal funding for the expansion population.

The Executive Budget also accounts for the changes expected due to moving Medicaid and Healthy Steps eligibility determinations for all non-disabled and non-elderly individuals to modified adjusted gross income. Currently, North Dakota uses net income for eligibility determination purposes; however, the ACA requires the transition to a modified adjusted gross income (MAGI) test. There are expected implications of this change, including children who will move from Medicaid to Healthy Steps and children who will move from Healthy Steps to Medicaid. The Department expects to have to accommodate these changes in the Medicaid and CHIP State Plans and in the technology systems that

support the programs. We await final information on how the conversion to MAGI will impact coverage for children.

Other ACA-Related Provisions

Provider enrollment and screening

The ACA requires the Secretary of Health and Human Services, in consultation with the Department of Health and Human Services' Office of the Inspector General, to establish procedures under which screening is conducted with respect to providers of medical or other items or services and suppliers under Medicare, Medicaid, and CHIP. The Act requires the Secretary to determine the level of screening to be conducted according to the risk of fraud, waste, and abuse with respect to the category of provider or supplier. The Act requires the Secretary to impose a fee on each institutional provider of medical or other items or services or supplier, to be used by the Secretary for program integrity efforts, which include requirements for states to comply with the process of screening providers and suppliers and imposing temporary enrollment moratoria for the Medicaid program as established by the Secretary under 1866(j)(2) and (7) of the Act.

The ACA requires state Medicaid agencies to terminate the participation of any individual or entity if such individual or entity is terminated under Medicare or any other state Medicaid plan.

The Department has released a Request for Proposal for the implementation of the screening requirements (licensing lists, checking Social Security Administration Death Master File, site visits, etc.). The Department currently checks the two federal exclusion lists for newly-enrolling providers. The eventual contract will include checking the federal

exclusion lists and the list of individuals and entities terminated under Medicare and other state Medicaid plans, for all Medicaid providers on a monthly basis.

Recovery Audit Contractor

The ACA requires states to establish a Recovery Act Contractor (RAC) program to enable the auditing of claims for services furnished by Medicaid providers. Pursuant to the statute, Medicaid RACs must: (1) identify overpayments, (2) recoup overpayments, and (3) identify underpayments. The Department has entered into a contract for the RAC program with Cognasante. The vendor has received claims information and is working with staff to understand payment policy and reimbursement requirements so they can begin their audits.

Increase in Physician Reimbursement

Section 1202 of the ACA provides increased payments for certain Medicaid primary care services. Under this provision, certain physicians that provide eligible primary care services would be paid the Medicare rates in effect in Calendar Years 2013 and 2014 (or if greater, the Medicare rate in effect in 2009). States will receive 100 percent Federal Financial Participation (FFP) for the difference between the Medicaid state plan payment amount as of July 1, 2009, and the applicable Medicare rate.

The Department does not expect to receive the 100 percent FFP for physician services, as the North Dakota Medicaid physician fees were greater than the Medicare fees as of July 1, 2009.

Based on the requirements of the ACA, and in accordance with the final rule published on November 6, 2012, the Department will be increasing Medicaid vaccine administration fees. The incremental increase for eligible provider types will be financed with 100 percent federal funds, for Calendar Year 2013 and Calendar Year 2014. There is no incremental increase in funding for providers not defined as "eligible"; however, the Department plans to increase the vaccine administration fees for all providers to minimize information system changes and to ensure consistent and continued access to vaccine administration for Medicaid recipients. The estimated cost of the increase for the providers not eligible for the incremental federal increase is approximately $167,000 in general fund for the first eighteen months of the 2013-2015 biennium. It is important to note: there is no indication as to what happens with the increased federal financing of the fees for eligible provider types in subsequent years.

Overview of Budget

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	7,563,195	1,030,334	8,593,529	-	8,593,529
Operating	33,883,524	5,216,311	39,099,835	(491,735)	38,608,100
Grants-Medical Assistance	659,018,818	(13,555,668)	645,463,150	(6,745,598)	638,717,552
Total	700,465,537	(7,309,023)	693,156,514	(7,237,333)	685,919,181
General Funds	235,840,610	56,325,513	292,166,123	(3,327,564)	288,838,559
Federal Funds	428,567,639	(69,412,232)	359,155,407	(3,909,769)	355,245,638
Other Funds	36,057,288	5,777,696	41,834,984	-	41,834,984
Total	700,465,537	(7,309,023)	693,156,514	(7,237,333)	685,919,181
FTE	54.50	2.00	56.50	-	56.50

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $1,030,334 and can be attributed to the following:

- $187,536 in total funds of which $100,628 is general fund is to fund the Governor's benefit package for health insurance and retirement for state employees.
- $201,240 in total funds of which $131,430 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $317,772 in total funds of which $141,194 is general fund needed to fund the continuation of the FTE authorized during the 2011 special Legislative session.
- $195,567 of which $88,165 is general fund needed to fund two FTE needed to assist with the additional workload resulting from the Affordable Care Act, regardless of a Medicaid expansion. The two positions consist of a Pharmacy Technician and a Coding Specialist. These two FTE were transferred from other areas of the Department. This budget is not requesting the authorization of any additional FTE.
- The remaining $128,219 is a combination of increases and decreases needed to sustain the salary of the 56.50 FTE in this area of the budget.

The Operating line item increased by $5.2 million (15.4 percent) and is a combination of the increases and decreases expected next biennium. The majority of the increase is due to the changes in operating fees and services as follows:

- $3.2 million of the operating increase is due to the Medicare Part D Clawback, which is funded with general fund dollars and estate collections.

- $316,000 in total funds of which $158,000 is general fund for additional contracted services to address the increased expectations for Medicaid program integrity.
- $262,000 in total funds of which $131,000 is general fund needed to fund the Division's development and tracking of quality assurance measures.
- $1.8 million in total funds of which $88,661 is general fund needed to fund the increase in Money Follows the Person contracts.
- Decrease of $126,051 in total funds of which $55,160 is general fund in the Children's Health Insurance Program External Quality Review contract.
- Decrease of $100,000 of which $55,160 is general fund for a Utilization Review contract that was anticipated in the previous budget, but was determined to not be needed.
- The remaining $151,949 is a combination of increases and decreases made to contracts within the Medical Services Division.

The Executive Budget for Medical Grants is $645.5 million, which is a **decrease** of $13.6 million. Please refer to Attachment G for a walk-through of each service area, which has been updated with the House changes.

Attachment H is a cost and caseload comparison of the Traditional Medical Grants from the 2011-2013 Appropriation to the 2013-2015 Budget to the House and the 2013-2015 Budget to the Senate for the top twelve services. These services represent 92 percent of the Traditional Medical Grants.

Attachment I shows each Traditional Medicaid Service comparing the 2011-2013 Budget, the 2011-2013 Projected Need, the 2013-2015 Executive Budget request, and the 2013-2015 Budget to the Senate.

To provide perspective on "where the money goes," please see Attachment J, which provides the number of providers by county and total dollars paid to those providers for dates of service in State Fiscal Year 2012.

House Changes:

- Removed Section 3 which was the authority for the Department to implement the Medicaid Expansion authorized in the Affordable Care Act. The House placed the Medicaid Expansion in House Bill 1362, which passed the House and will be heard in Senate Human Services tomorrow morning.
- Reduced funding for previously eligible individuals (woodwork effect) who are expected to apply for Medicaid coverage due to the Affordable Care Act individual mandate and outreach efforts. This reduction is $4,536,598 in total funds, of which $2,268,289 is general fund.
- Removed funding for professional medical expert services of $84,000 in total funds, of which $42,000 is general fund.
- Removed funding for program integrity contract services of $316,000 in total funds, of which $158,000 is general fund.
- Removed funding to contract with a vendor for prescreening of Medicaid providers of $240,000 in total funds, of which $120,000 is general fund.

- Removed funding for the oversight for qualified service provider mileage differential of $100,000 in total funds, of which $78,040 is general fund.
- Reduced funding for caseload projections for the following: CHIP, durable medical equipment, private duty nurses, premiums and transportation of $2,209,000 in total funds, of which $909,500 is general fund.
- At the request of the Department, increased funding for Medicare Part D clawback payments of $248,265 in general fund.

This concludes my testimony on the 2013-2015 budget request for the Traditional Medicaid and Children's Health Insurance Programs. I would be happy to answer any questions.

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 for those 65 and older in Institutions for Mental Disease (IMD)
Laboratory X-ray	Optometrists / Eyeglasses	Intermediate Care Facility Services
Nursing Facility Services for beneficiaries age 21 and older	Psychologists	Inpatient Psychiatric Services for those Under Age 21
EPSDT for under age 21	Nurse Anesthetist	Personal Care Services
Family Planning Services and 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 and Dentures	Non-Emergency Transportation Services
60 Days Post Partum Pregnancy-Related Services	Physical Therapy and Occupational Therapy	Nursing Facility Services for those Under Age 21
Home Health Services (Nursing), including Durable Medical Equipment and Supplies	Speech, Hearing, Language Therapy	Emergency Hospital Services in Non-Medicare Participating Hospital
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)

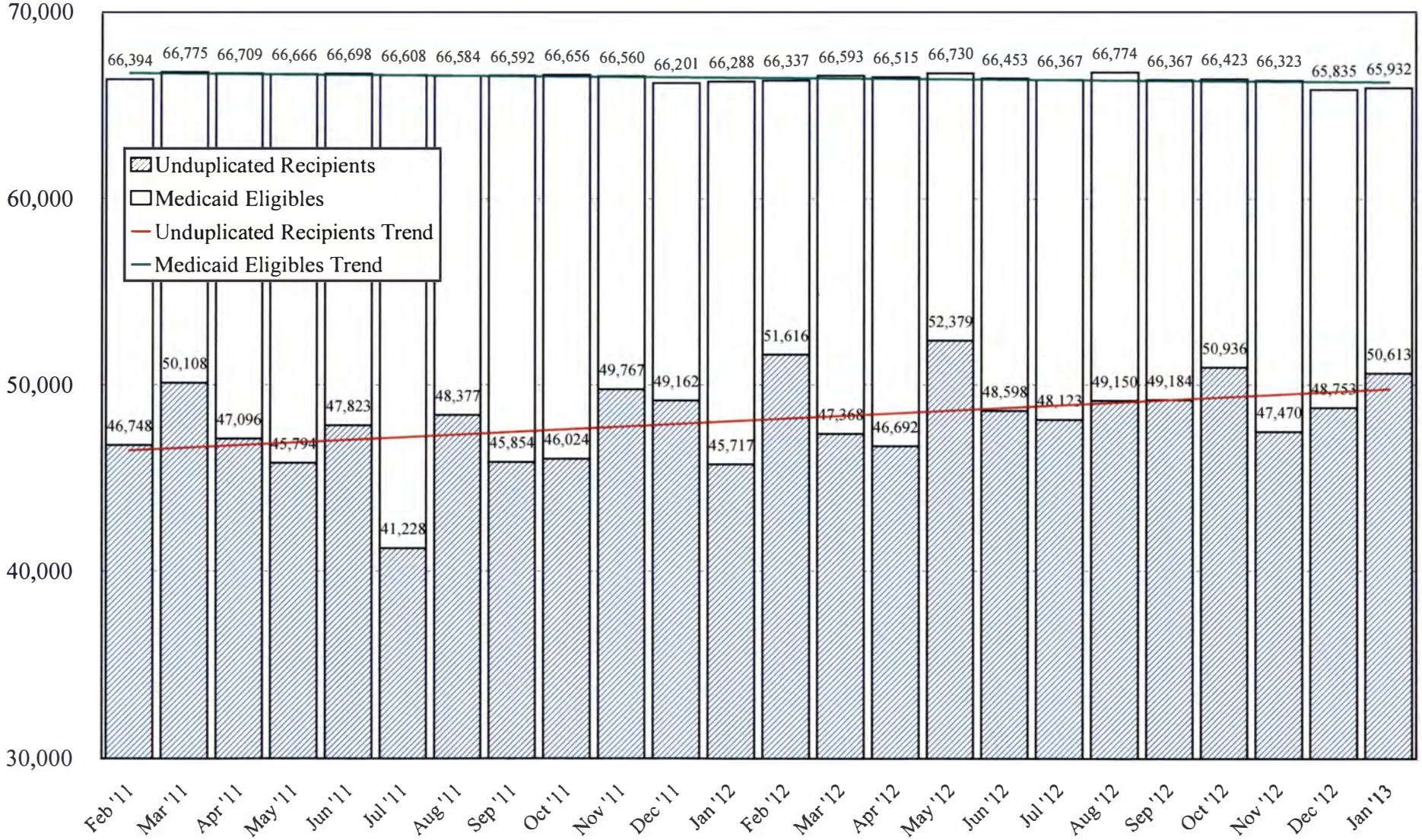
North Dakota Department of Human Services
Medical Services Division

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 and older once every 2 years	$75 Inpatient Hospital
Eye exams for Individuals 21 and older once every 2 years	$3 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-name 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 Medicaid Eligibles (Including QMB's Only, SLMB's Only & QI's) and Unduplicated Recipients
February 2011 - January 2013



Medicaid Eligibles, for the period August '09 to the present, have been restated to include QMB, SLMB, and QI premium recipients.
Starting with August of the 11-13 biennium, "Unduplicated Recipients" includes Indian Health and PACE recipients.

FA-2/27/13-cj-1315legis\eligiblestrendinS

Attachment D

UNDUPLICATED COUNT OF MEDICAID CASES AND RECIPIENTS

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	NUMBER OF CASES	PERCENT OF TOTAL CASES	NUMBER OF RECIPIENTS	PERCENT OF TOTAL RECIPIENTS	PERCENT OF COUNTY POPULATION RECEIVING	2011 COUNTY POPULATION ESTIMATE *	COUNTY POPULATION AS A PERCENT OF STATE POPULATION
1 Adams	127	0.27%	196	0.22%	8.50%	2,307	0.34%
2 Barnes	904	1.94%	1,586	1.75%	14.35%	11,056	1.62%
3 Benson	1,127	2.42%	3,084	3.41%	45.87%	6,723	0.98%
4 Billings	16	0.03%	26	0.03%	3.19%	816	0.12%
5 Bottineau	398	0.86%	758	0.84%	11.76%	6,443	0.94%
6 Bowman	153	0.33%	229	0.25%	7.31%	3,134	0.46%
7 Burke	89	0.19%	178	0.20%	8.76%	2,033	0.30%
8 Burleigh	5,024	10.80%	9,316	10.30%	11.20%	83,145	12.16%
9 Cass	9,256	19.90%	18,268	20.20%	11.99%	152,368	22.28%
10 Cavalier	205	0.44%	369	0.41%	9.37%	3,939	0.58%
11 Dickey	362	0.78%	665	0.74%	12.51%	5,317	0.78%
12 Divide	128	0.28%	234	0.26%	11.01%	2,125	0.31%
13 Dunn	194	0.42%	354	0.39%	9.52%	3,720	0.54%
14 Eddy	211	0.45%	374	0.41%	15.71%	2,380	0.35%
15 Emmons	202	0.43%	329	0.36%	9.28%	3,546	0.52%
16 Foster	186	0.40%	331	0.37%	9.91%	3,341	0.49%
17 Golden Valley	100	0.21%	192	0.21%	10.96%	1,752	0.26%
18 Grand Forks	4,425	9.51%	8,520	9.42%	12.79%	66,598	9.74%
19 Grant	154	0.33%	281	0.31%	12.02%	2,337	0.34%
20 Griggs	142	0.31%	237	0.26%	9.99%	2,372	0.35%
21 Hettinger	137	0.29%	231	0.26%	9.18%	2,515	0.37%
22 Kidder	119	0.26%	246	0.27%	10.19%	2,414	0.35%
23 LaMoure	179	0.38%	309	0.34%	7.53%	4,105	0.60%
24 [illegible]gan	123	0.26%	203	0.22%	10.23%	1,985	0.29%
25 McHenry	337	0.72%	653	0.72%	11.86%	5,505	0.80%
26 McIntosh	216	0.46%	364	0.40%	13.15%	2,769	0.40%
27 McKenzie	460	0.99%	1,092	1.21%	15.56%	7,019	1.03%
28 McLean	517	1.11%	962	1.06%	10.61%	9,068	1.33%
29 Mercer	394	0.85%	711	0.79%	8.42%	8,449	1.24%
30 Morton	1,962	4.22%	3,780	4.18%	13.63%	27,734	4.06%
31 Mountrail	602	1.29%	1,325	1.46%	16.36%	8,097	1.18%
32 Nelson	227	0.49%	368	0.41%	12.04%	3,057	0.45%
33 Oliver	66	0.14%	141	0.16%	7.70%	1,830	0.27%
34 Pembina	445	0.96%	852	0.94%	11.60%	7,342	1.07%
35 Pierce	345	0.74%	609	0.67%	13.92%	4,375	0.64%
36 Ramsey	1,151	2.47%	2,075	2.29%	18.12%	11,452	1.67%
37 Ransom	408	0.88%	709	0.78%	13.12%	5,403	0.79%
38 Renville	126	0.27%	226	0.25%	9.08%	2,490	0.36%
39 Richland	1,063	2.29%	2,133	2.36%	13.13%	16,245	2.38%
40 Rolette	2,582	5.55%	6,092	6.73%	42.88%	14,206	2.08%
41 Sargent	152	0.33%	273	0.30%	7.19%	3,798	0.56%
42 Sheridan	100	0.21%	195	0.22%	14.90%	1,309	0.19%
43 Sioux	916	1.97%	2,488	2.75%	58.13%	4,280	0.63%
44 Slope	17	0.04%	29	0.03%	4.04%	718	0.10%
45 Stark	1,685	3.62%	2,826	3.12%	11.22%	25,177	3.68%
46 Steele	70	0.15%	160	0.18%	8.21%	1,950	0.29%
47 Stutsman	1,731	3.72%	2,947	3.26%	13.99%	21,062	3.08%
48 Towner	158	0.34%	300	0.33%	13.25%	2,264	0.33%
49 Traill	495	1.06%	935	1.03%	11.48%	8,147	1.19%
50 Walsh	961	2.07%	1,794	1.98%	16.26%	11,032	1.61%
51 Ward	3,642	7.83%	6,837	7.56%	10.67%	64,072	9.37%
52 Wells	302	0.65%	558	0.62%	13.17%	4,237	0.62%
53 Williams	1,425	3.06%	2,503	2.77%	10.27%	24,374	3.56%
Total	46,516	100.00%	90,453	100.00%	13.23%	683,932	100.00%

Data presented by Human Service Center Region on page 15

. Data obtained via job ES399510

. Annual Estimates of the Resident Population for Counties of North Dakota: April 1, 2010 to July 1, 2011 (CO-EST2011-01-38)

S. U.S. Census Bureau, Population Division, Release Date: April 2012

http://www.census.gov/popest/data/counties/totals/2011/CO-EST2011-01.html

Attachment E

UNDUPLICATED COUNT OF MEDICAID RECIPIENTS BY AGE GROUP

FOR STATE FISCAL YEAR 2012 (July 2011 - June 2012)

COUNTY	TOTAL RECIPIENTS	AGE GROUP				
		0-5	6-18	19-20	21-64	65 and over
1 Adams	196	42	43	1	58	52
2 Barnes	1,586	314	440	44	541	247
3 Benson	3,084	748	1,174	95	953	114
4 Billings	26	9	6	2	8	1
5 Bottineau	758	185	198	25	239	111
6 Bowman	229	62	61	10	49	47
7 Burke	178	44	64	8	52	10
8 Burleigh	9,316	2,449	2,504	331	3,182	850
9 Cass	18,268	4,799	5,363	680	6,334	1,092
10 Cavalier	369	59	108	13	108	81
11 Dickey	665	173	158	20	170	144
12 Divide	234	55	58	7	73	41
13 Dunn	354	88	104	13	105	44
14 Eddy	374	75	109	3	116	71
15 Emmons	329	57	93	12	88	79
16 Foster	331	62	96	6	95	72
17 Golden Valley	192	53	78	5	40	16
18 Grand Forks	8,520	2,305	2,382	347	2,925	561
19 Grant	281	45	86	11	68	71
20 Griggs	237	47	63	9	57	61
21 Hettinger	231	53	73	6	53	46
22 Kidder	246	62	86	10	65	23
23 LaMoure	309	62	93	6	84	64
24 Logan	203	45	45	2	42	69
25 McHenry	653	139	212	19	207	76
26 McIntosh	364	70	85	11	85	113
27 McKenzie	1,092	296	410	41	292	53
28 McLean	962	205	306	24	289	138
29 Mercer	711	164	199	28	202	118
30 Morton	3,780	914	1,147	104	1,247	368
31 Mountrail	1,325	370	433	66	384	72
32 Nelson	368	53	95	12	120	88
33 Oliver	141	45	39	5	40	12
34 Pembina	852	192	286	24	243	107
35 Pierce	609	116	180	28	154	131
36 Ramsey	2,075	457	610	90	684	234
37 Ransom	709	146	193	23	203	144
38 Renville	226	51	64	8	54	49
39 Richland	2,133	536	675	83	651	188
40 Rolette	6,092	1,500	2,066	224	2,045	257
41 Sargent	273	65	83	10	77	38
42 Sheridan	195	38	60	12	58	27
43 Sioux	2,488	594	863	110	869	52
44 Slope	29	6	10	0	5	8
45 Stark	2,826	772	729	86	853	386
46 Steele	160	40	55	4	49	12
47 Stutsman	2,947	641	807	108	1,037	354
48 Towner	300	68	89	9	86	48
49 Traill	935	214	275	24	272	150
50 Walsh	1,794	425	550	63	543	213
51 Ward	6,837	1,769	2,011	243	2,287	527
52 Wells	558	119	133	17	194	95
53 Williams	2,503	729	751	87	731	205
Total	90,453	22,627	26,901	3,229	29,466	8,230
Percent of Total	100.00%	25.02%	29.74%	3.57%	32.58%	9.10%

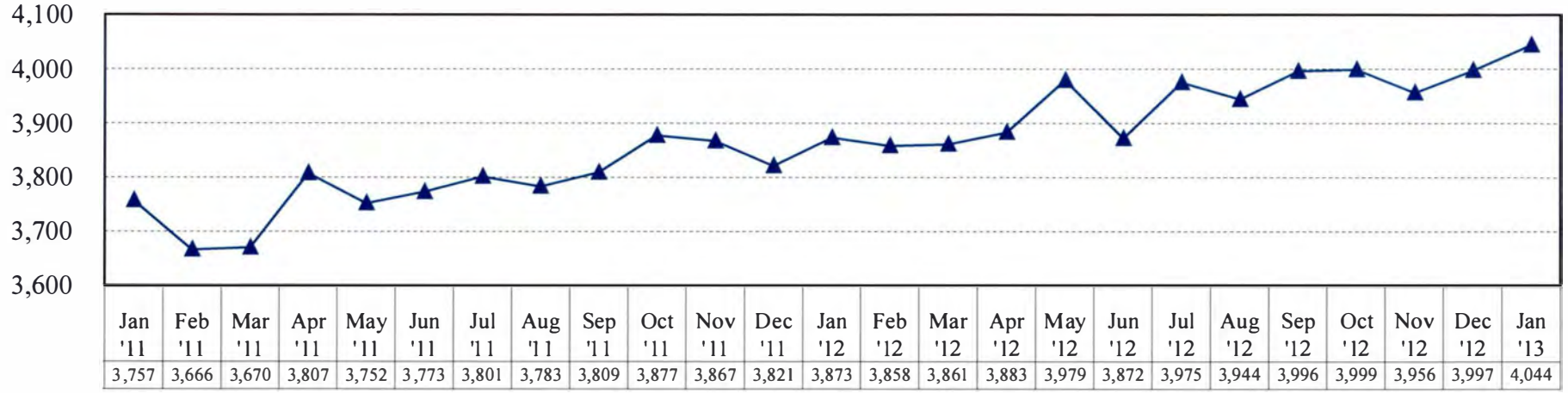
*Age is based on the number of years between the birth month and the person's last Medicaid benefit month in the year.

North Dakota Department of Human Services

Attachment F

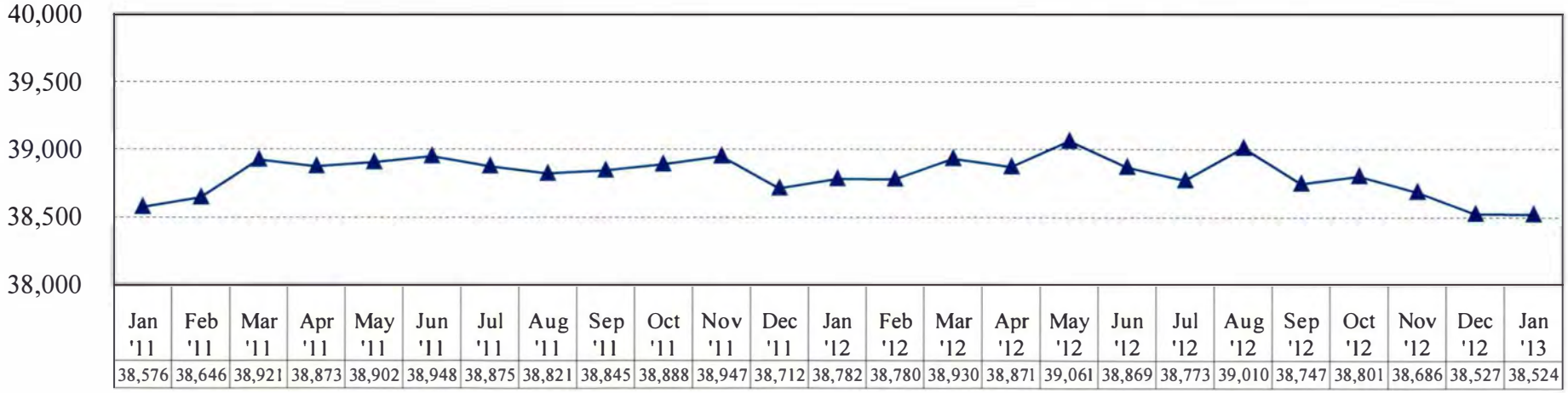
Healthy Steps Premiums Paid by Month

January 2011 - January 2013



Children Enrolled in Medicaid by Month

January 2011 - January 2013



Attachment G

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To Senate

	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital-Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	**2013-2015 Budget To House**	Reduce ACA Woodwork by 50%	Reduce Premiums, DME, Private Nursing & Transportation	Reduce Healthy Steps Caseload	Total House Changes	**2013-2015 Budget To Senate**
0	17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186.00	(1,793,304)			(1,793,304)	182,241,882
0	8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840.00	(755,828)			(755,828)	72,510,012
1	(3,454,061)	0						1,261,094		(2,192,967)	1,261,094.00				0	1,261,094
0	(200,000)	0								(200,000)	0.00				0	0
4	7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536.00	(1,181,988)			(1,181,988)	120,409,548
5	(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905.00	(506,150)			(506,150)	44,360,755
0	286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103.00	(299,328)			(299,328)	28,711,775
3	(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120.00		(315,000)		(315,000)	25,821,120
6	1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748.00				0	20,035,748
6	(841,440)	709,224		481,968						349,752	8,497,208.00		(30,000)		(30,000)	8,467,208
6	218,040	1,784,536		453,600						2,456,176	7,943,992.00				0	7,943,992
8	1,968,794	783,395		0						2,752,189	7,921,657.00				0	7,921,657
2	(10,883,860)	11,733,168								849,308	30,329,520.00				0	30,329,520
3	(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043.00	0	(564,000)	0	(564,000)	53,597,043
0	148,380	62,920		90,712						302,012	1,580,512.00				0	1,580,512
6	8,103,257	(8,880,672)		0						(777,415)	1,890,461.00				0	1,890,461
2	(59,111,300)	0								(59,111,300)	5,784,012.00				0	5,784,012
2	198,076	363,968		100,652						662,696	1,758,068.00				0	1,758,068
4	742,682	149,304		164,001						1,055,987	4,256,401.00				0	4,256,401
0	(65,491)	81,651								16,160	734,930.00				0	734,930
4	(455,660)	64,112		102,880						(288,668)	1,796,256.00				0	1,796,256
0	(321,172)	83,736		317,244						79,808	5,528,668.00				0	5,528,668
8	(41,556)	(62,128)		68,756						(34,928)	1,201,620.00				0	1,201,620
4	61,360	(309,128)		191,264						(56,504)	4,956,980.00				0	4,956,980
		60,760		3,708						64,468	64,468.00		(64,000)		(64,000)	468
6	43,308	167,432		96,156						306,896	1,682,372.00				0	1,682,372
8	(560,280)	753,896		424,304						617,920	7,400,968.00				0	7,400,968
2	14,004	(1,188,821)		0					1,393,875	219,058	4,239,210.00				0	4,239,210
8	175,316	(1,063,736)		165,976						(722,444)	2,886,904.00				0	2,886,904
2	157,696	(210,264)		81,096						28,528	1,414,760.00				0	1,414,760
0	3,272	(91,776)		25,353						(63,151)	495,329.00				0	495,329
0	1,724	24,048		4,808						30,580	83,280.00				0	83,280
9	122,889	315,040		190,172						628,101	3,316,900.00				0	3,316,900
		23,816		1,432						25,248	25,248.00				0	25,248
8	1,311,164	46,312		174,272						1,531,748	3,063,696.00		(500,000)		(500,000)	2,563,696
4	**(30,446,875)**	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952.00**	**(4,536,598)**	**(909,000)**	**0**	**(5,445,598)**	**603,611,354**
2	3,948,927	1,870,741								5,819,668	33,344,070.00			(1,300,000)	(1,300,000)	32,044,070
6	**(26,497,948)**	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022.00**	**(4,536,598)**	**(909,000)**	**(1,300,000)**	**(6,745,598)**	**635,655,424**
1	**14,709,574**	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101.00**	**(2,268,289)**	**(454,500)**	**(455,000)**	**(3,177,789)**	**253,394,312**

centive Payments are 100% federally funded.

hing funds are in other state agency budgets.

no general funds associated with TCM-Wrap Around

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To Senate

Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital-Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	2013-2015 Budget To House	Reduce ACA Woodwor by 50%
Inpatient Hospital	162,198,550	17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186.00	(1,793,3(
Outpatient Hospital	74,249,400	8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840.00	(755,82
Critical Access Hospitals	3,454,061	(3,454,061)	0						1,261,094		(2,192,967)	1,261,094.00	
One-Time Hospital Grant	200,000	(200,000)	0								(200,000)	0.00	
Physician Services	104,734,864	7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536.00	(1,181,9E
Drugs - NET (Includes Rebates)	50,513,555	(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905.00	(506,15
Dental Services	24,029,520	286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103.00	(299,32
Premiums	29,183,783	(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120.00	
Psychiatric Residential Treatment Facilities	21,987,286	1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748.00	
Durable Medical Equipment (DME)	8,147,456	(841,440)	709,224		481,968						349,752	8,497,208.00	
Ambulance Services	5,487,816	218,040	1,784,536		453,600						2,456,176	7,943,992.00	
Federally Qualified Health Centers	5,169,468	1,968,794	783,395		0						2,752,189	7,921,657.00	
Indian Health Services ^	29,480,212	(10,883,860)	11,733,168								849,308	30,329,520.00	
Other Services	109,646,243	(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043.00	
Chiropractic Services	1,278,500	148,380	62,920		90,712						302,012	1,580,512.00	
Disease Management	2,667,876	8,103,257	(8,880,672)		0						(777,415)	1,890,461.00	
Electronic Health Records Incentive Payment ^	64,895,312	(59,111,300)	0								(59,111,300)	5,784,012.00	
Foster Care Family Support	1,095,372	198,076	363,968		100,652						662,696	1,758,068.00	
Home Health Services	3,200,414	742,682	149,304		164,001						1,055,987	4,256,401.00	
Hospice Services	718,770	(65,491)	81,651								16,160	734,930.00	
Laboratory & Radiology	2,084,924	(455,660)	64,112		102,880						(288,668)	1,796,256.00	
ND Health Tracks - EPSDT Screenings	5,448,860	(321,172)	83,736		317,244						79,808	5,528,668.00	
Occupational Therapy	1,236,548	(41,556)	(62,128)		68,756						(34,928)	1,201,620.00	
Optometry Services	5,013,484	61,360	(309,128)		191,264						(56,504)	4,956,980.00	
Private Duty Nursing			60,760		3,708						64,468	64,468.00	
Physical Therapy	1,375,476	43,308	167,432		96,156						306,896	1,682,372.00	
Psychological Services	6,783,048	(560,280)	753,896		424,304						617,920	7,400,968.00	
Rural Health Clinics	4,020,152	14,004	(1,188,821)		0					1,393,875	219,058	4,239,210.00	
Special Education ^^	3,609,348	175,316	(1,063,736)		165,976						(722,444)	2,886,904.00	
Speech & Hearing Services	1,386,232	157,696	(210,264)		81,096						28,528	1,414,760.00	
Targeted Case Mgt - DJS Alt Care ^^	558,480	3,272	(91,776)		25,353						(63,151)	495,329.00	
Targeted Case Mgt - Pregnant Women	52,700	1,724	24,048		4,808						30,580	83,280.00	
Targeted Case Mgt - Wrap Around^^^	2,688,799	122,889	315,040		190,172						628,101	3,316,900.00	
Targeted Case Mgt - Tribal			23,816		1,432						25,248	25,248.00	
Transportation Services	1,531,948	1,311,164	46,312		174,272						1,531,748	3,063,696.00	
Total (Excluding Healthy Steps)	**628,482,214**	**(30,446,875)**	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952.00**	**(4,536,59**
Healthy Steps	27,524,402	3,948,927	1,870,741								5,819,668	33,344,070.00	
Total Medical Assistance	**656,006,616**	**(26,497,948)**	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022.00**	**(4,536,59**
General Funds	**205,544,821**	**14,709,574**	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101.00**	**(2,268,28**

^ Indian Health Services & Electronic Health Records Incentive Payments are 100% federally funded.

^^ Only federal funds are in the DHS budget. The matching funds are in other state agency budgets.

^^^ The State share is paid with County funds there are no general funds associated with TCM-Wrap Around

Attachment H

Cost and Caseload Comparison

2011 - 2013 Appropriation, the Executive Budget and the Budget to Senate

Description	2011-2013 Budgeted Avg Monthly Cost per Case	2013-2015 Executive Budgeted Avg Monthly Cost per Case ^	2013-2015 House Budgeted Avg Monthly Cost per Case ^	2011-2013 Budgeted Avg Monthly Caseload	2013-2015 Executive Budgeted Avg Monthly Caseload *	2013-2015 House Budgeted Avg Monthly Caseload *
Inpatient Hospital	1,216.81	1,403.37	1,403.30	5,554	5,464	5,411
Outpatient Hospital	16.87	19.20	19.20	183,413	158,994	157,363
Physician Services	18.79	22.12	22.12	232,254	229,064	226,849
Net Drugs (Includes Rebates)	39.09	32.58	32.59	53,840	57,373	56,719
Premiums	133.36	119.55	118.13	9,118	9,109	9,108
Dental Services	65.94	74.39	74.38	15,183	16,250	16,083
Psychiatric Residential Treatment Facilities	372.68	399.51	399.51	81	69	69
Durable Medical Equipment	1.99	1.94	1.94	170,877	182,867	182,221
Federally Qualified Health Systems	124.89	164.16	164.16	1,725	2,011	2,011
Ambulance Services	14.74	16.08	16.08	15,513	20,579	20,579
Indian Health Services**	148.02	5.74	5.74	1,915	50,836	50,836
Healthy Steps	272.67	311.79	311.79	4,206	4,456	4,282

** Indian Health cost per case and the monthly average caseload are not comparable between bienniums as prescription drugs are now reported on a per pill basis rather than per perscription which significantly distorts the numbers between bienniums. Indian Health expenditures are funded with 100% Federal Funds.

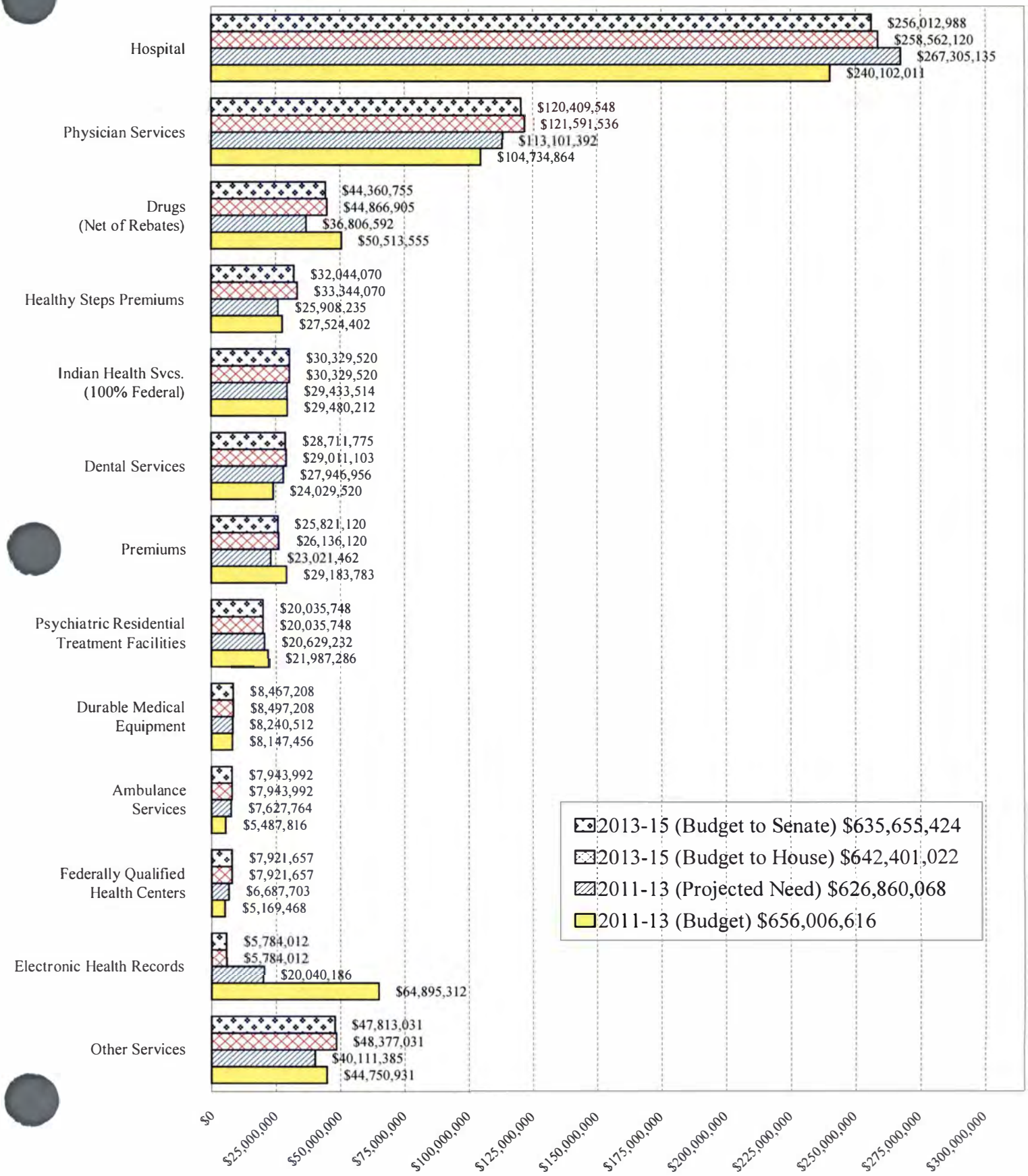
North Dakota Department of Human Services

Attachment I

Medical Services

2011-13 and 2013-15 Biennium Comparisons

House Bill 1012 to Senate (2013 - 2015 Biennium)



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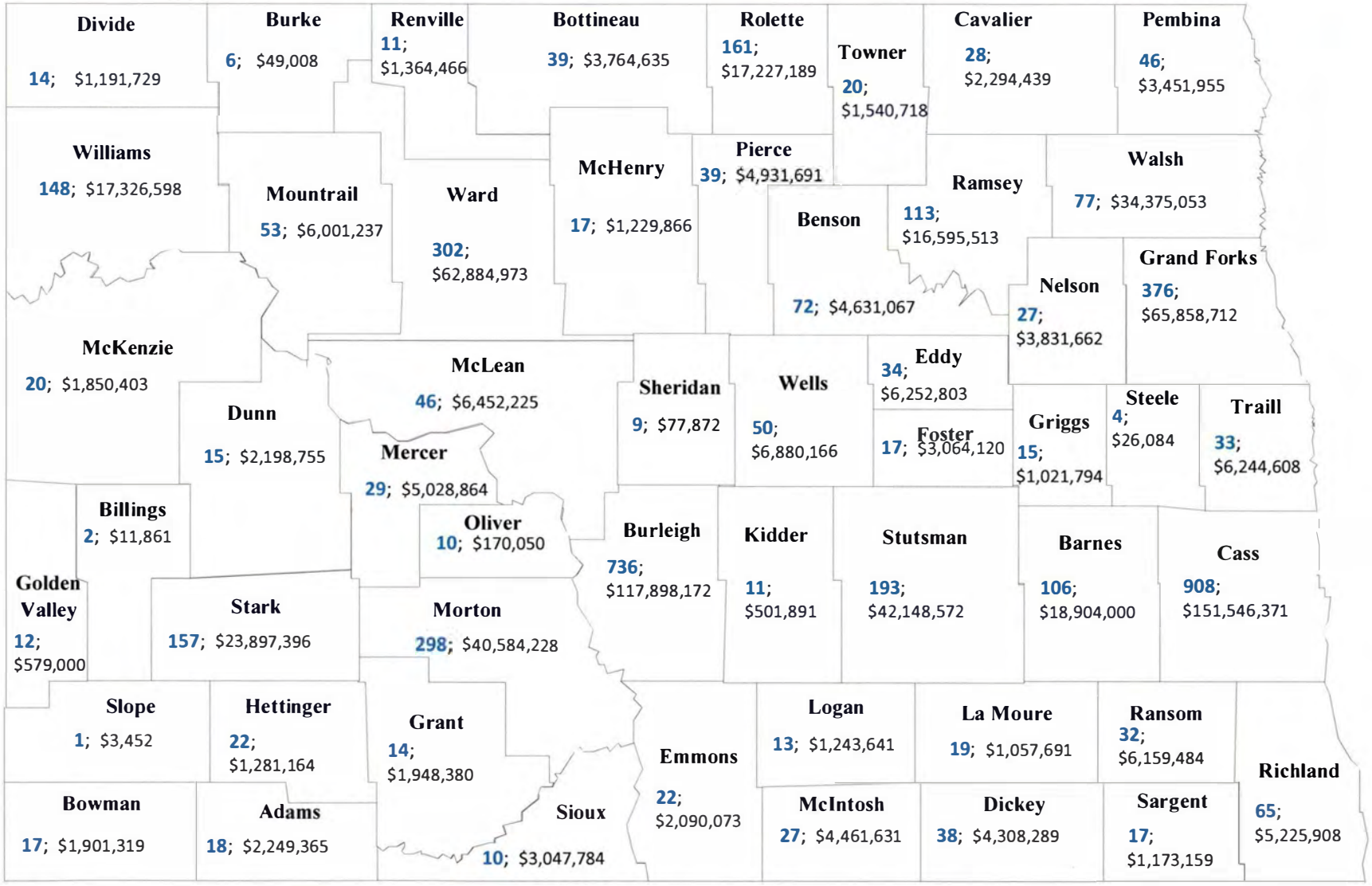
North Dakota Department of Human Services
Medical Services Division

Providers and Claims Paid by County

Dates of Service – State Fiscal Year 2012

Attachment J



County 99 – Out-of-State Providers: 521; $25,717,268

REV. 01-03-2013

Department of Human Services
Rebasing of Services

Ambulance	Rebased July 1, 2009 to Medicare Rates
Chiropractors	Rebased July 1, 2009 to 75% of Cost
Dentists	Rebased July 1, 2009 to a minimum of 75% of Average Billed Charges
Hospitals	Rebased July 1, 2009 to 100% of Cost
Physicians	Rebased July 1, 2009 to 75% of Rebasing Report
Basic Care	Rates established each year based upon cost reports, not to exceed limits
DD Providers	Rates established each year based upon most recently audited cost report (approx. 2 year lag), settle-up to allowable costs upon receipt of finalized cost report
Nursing Homes	Rates established each year based upon cost reports, not to exceed limits. Limits are rebased at least every 4 years in accordance with NDCC 50-24.4-10. Limits were rebased 1/1/2013.
Psychiatric Residential Treatment Facilities	Rates established each year based upon cost reports
Critical Access Hospitals	Interim rates established each year based upon Medicare Rate, settle-up to allowable costs upon receipt of finalized cost report
Residential Child Care Facilities	Rates established each year based upon cost reports

Department of Human Services
Clawback Analysis

"Clawback" or the statutory term "phased-down State contribution", is the mechanism through which the states help finance the Medicare "Part D" drug benefit program. The clawback which began in January 2006, is a monthly payment made by each state to the federal Medicare program. The amount of each state's monthly payment is to reflect the expenditures the state would have incurred for outpatient prescription drugs through Medicaid on behalf of dual eligibles – i.e., low-income elderly or disabled individuals who are enrolled in both Medicare and Medicaid.

For analysis purposes Dual Eligibles were held constant at 10,700

At 2 % Inflation

			Biennial Total	Increase to be Requested each Biennium
2013	1,239,712	14,876,544		
2014	1,222,882	14,674,587		
2015	1,234,401	14,812,812	29,487,399	
2016	1,259,089	15,109,068		
2017	1,284,271	15,411,252	30,520,320	1,032,921
2018	1,309,956	15,719,472		
2019	1,336,155	16,033,860	31,753,332	1,233,012
2020	1,362,878	16,354,536		
2021	1,390,136	16,681,632	33,036,168	1,282,836
2022	1,417,939	17,015,268		
2023	1,446,298	17,355,576	34,370,844	1,334,676
2024	1,475,224	17,702,688		
2025	1,504,728	18,056,736	35,759,424	1,388,580
2026	1,534,823	18,417,876		
2027	1,565,519	18,786,228	37,204,104	1,444,680
2028	1,596,829	19,161,948		
2029	1,628,766	19,545,192	38,707,140	1,503,036
2030	1,661,341	19,936,092		
2031	1,694,568	20,334,816	40,270,908	1,563,768
2032	1,728,459	20,741,508		
2033	1,763,028	21,156,336	41,897,844	1,626,936
2034	1,798,289	21,579,468		
2035	1,834,255	22,011,060	43,590,528	1,692,684
2036	1,870,940	22,451,280		
2037	1,908,359	22,900,308	45,351,588	1,761,060
2038	1,946,526	23,358,312		
2039	1,985,457	23,825,484	47,183,796	1,832,208
2040	2,025,166	24,301,992		

Actual Increases Requested	
2009 - 2011	3.3 million
2011-2013	6.9 million
2013-2015	3.1 million

Actual Drug Inflation	
2007	6.86%
2008	1.69%
2009	9.26%
2010	4.77%
2011	0.28%
2012	4.10%

At 4 % Inflation

			Biennial Total	Increase to be Requested each Biennium
2013	1,239,712	14,876,544		
2014	1,289,300	15,471,600		
2015	1,340,872	16,090,464	31,562,064	
2016	1,394,507	16,734,084		
2017	1,450,287	17,403,444	34,137,528	2,575,464
2018	1,508,298	18,099,576		
2019	1,568,630	18,823,560	36,923,136	2,785,608
2020	1,631,375	19,576,500		
2021	1,696,630	20,359,560	39,936,060	3,012,924
2022	1,764,495	21,173,940		
2023	1,835,075	22,020,900	43,194,840	3,258,780
2024	1,908,478	22,901,736		
2025	1,984,817	23,817,804	46,719,540	3,524,700
2026	2,064,210	24,770,520		
2027	2,146,778	25,761,336	50,531,856	3,812,316
2028	2,232,649	26,791,788		
2029	2,321,955	27,863,460	54,655,248	4,123,392
2030	2,414,833	28,977,996		
2031	2,511,426	30,137,112	59,115,108	4,459,860
2032	2,611,883	31,342,596		
2033	2,716,358	32,596,296	63,938,892	4,823,784
2034	2,825,012	33,900,144		
2035	2,938,012	35,256,144	69,156,288	5,217,396
2036	3,055,532	36,666,384		
2037	3,177,753	38,133,036	74,799,420	5,643,132
2038	3,304,863	39,658,356		
2039	3,437,058	41,244,696	80,903,052	6,103,632
2040	3,574,540	42,894,480		

Greg Salwei
HB 1012
#32

Testimony on HB 1012 3-12-13
Senate Appropriations Committee
March 12, 2013

Good afternoon Chairman Holmberg and members of the Senate Appropriations Committee. My name is Greg Salwei, Chairman of the North Dakota Long Term Care Association and Administrator of Wishek Living Center in Wishek. The Association represents 207 assisted living, basic care, and nursing facilities.

I am here to testify in support of the four percent inflator provided in HB 1012, as well as ask you for $1 wage/benefit pass through for all basic care and nursing facility staff. At this point, HB 1012 contains a $0.50 wage pass through. I will also address the personal needs allowance (PNA) increase for basic care and nursing facility residents.

Before I outline why the 4% and dollar wage/benefit pass through is needed, I would like to draw your attention to three fact sheets on long term care. I also have a handout providing some facts on the Upper Payment Limit. If you want I can cover that at the end of my testimony.

At the conclusions of my testimony I would like to introduce Kurt Stoner, the Administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND. Kurt's organization provides skilled nursing services, basic care services, assisted living services and independent living apartments for older adults. He operates in one of the busiest areas of North Dakota and wants to share with you the challenges this presents. Both of us have one common theme; the 4% annual inflator and dollar wage pass through is critical.

Why is the Dollar Wage Pass Through Needed?

On an annual basis, nursing facilities care for 12,213 residents and basic care facilities provide care to 4,152 residents. The average nursing facility resident is 84 years old, female, and needs help dressing, toileting, and eating. They need direction, support and supervision throughout each day. They average 11 different daily medications and have medical conditions that require physician oversight. Today, 40% of nursing facilities residents are rehabilitated and sent back home or to a lower level of care. Average length of stay has decreased from what used to be 3.5 years to now under a

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year. The need for nursing facility level of care can hit at any age. Today in North Dakota, the age range is a young infant to an individual 107 years old.

Now that I've told you a little bit about the residents we care for, I want to share with you information about our caregivers – our dedicated work force. Employees are the backbone of our business. They assure residents get the care, services and attention they need and deserve. Without them we are crippled and we cannot provide the quality of care each and every resident deserves. It is estimated long term care facilities employ 15,470 individuals (assisted living, basic care, and nursing facilities). Without them we cannot exist. As you may have heard we've had a number of long term care facilities close in recent months. On December 31, 2012, Holy Family Villa in Carrington closed their 24 bed basic care facility, citing yearly financial losses for the past five years. The Kensington in Williston, a 71 bed basic care facility and a 39 unit assisted living facility closed on December 31, 2012. They closed because of a staffing crisis. They flew staff in from out of state, used contract agency staff, paid overtime and double time, and still could not find staff to care for their residents. The facility is now closed and houses individuals from the energy industry.

Last summer, Osnabrock, a nursing facility in eastern North Dakota, closed citing significant financial operating losses. This week, Sanford Health's Continuing Care Center in Underwood, a 50 bed nursing facility, will be closed. Their reason for closing: Staff shortages and declining occupancy. You can't operate a facility without staff.

As you can see, the top issue facing facilities is staffing. In 2012, 2 out of every 3 nursing facilities used contract agency staff to deliver daily resident care. Contract nursing hours increased over 100% in one year. Facilities stop admissions, or downsize their facilities because they do not have the human resources to deliver the care. Today the youngest employee is 14 and the oldest just turned 100 years old this month. One-third of our workforce is age 50 and older, and North Dakota will need an additional 1,880 nurses by 2018. This is our workforce today; tomorrow is even more challenging.

For this we need your help. For nursing facilities, you control the rate setting system, as we have equalization of rates. Only you can increase the revenue so we have the resources to pay staff more. If a nursing facility needs to provide greater wage adjustments than provided by the legislature, which is occurring more often now, and

starts exceeding limits, none of the money they've spent over the limits will be recouped. If this happens your financial viability is threatened. In 2013, rates were just updated using the 2010 cost report and then adjusted for inflation. Even with rebasing rates, nursing facilities are collectively spending $8 million more than what they are being paid.

This past year, the Department of Human Services provided two nursing facilities with increased rate adjustments to deal with the staffing crisis and costs. This occurred for St. Luke's Home in Dickinson and Good Samaritan Society in Crosby. This helped substantially, however because of the continued financial losses and inability to retain staff, the Good Samaritan Society — Crosby, announced they are closing their doors. They offered to give the facility and their assets away at no cost and fortunately the local hospital is moving forward to assume ownership and operations. It is anticipated the ownership change will occur in May 2013.

One might be inclined to believe that these staffing issues are isolated in the western part of the state. However, the problem has radiated to all corners of North Dakota. My facility is 300 miles from Williston, yet we struggle with staffing on a daily basis. In our last fiscal year ended June 30, 2012 we spent $11,000 for contract CNA staffing for the entire year. So far during the first seven months of this fiscal year I have already spent $86,000, far more than I would have ever expected. With unemployment at around 3%, it's an employee's market. Our nurse aides start at $11.00 per hr, but they can go to the nearest McDonalds and start at $15. When you consider the difficulty of nurse aide work, it's no wonder we are struggling to find and keep good staff. Just yesterday, my Director of nursing informed me that we would be losing 3 full time aides. Two are a husband and wife team that are moving to Fargo. The other said she was going to work for a staffing agency for $2.00/hr more than the $13.50 she earns from us. Since she lives in the immediate area, there is no doubt we will see her back in our facility but then it will be at $30/hr. The 3% inflator we are working with this year would amount to a 41 cent/hr raise for this employee, and the 4% in HB1012 would amount to 54 cents/hr. That's not much of a bargaining tool for me to try and retain quality employees.

The dollar wage/benefit pass-through will help all basic care and nursing facility staff. We need to increase our wages and be competitive or we will not have staff or care facilities. The dollar add on will add an average salary increase of $173.00 monthly

(gross) to staff working in long term care, the net is less than $40 a week or $8 a day. If we go with the current $0.50 wage pass-through, then cut these amounts in half.

You might ask yourself, if it is such a need, why didn't Governor Dalrymple provide the funding in his budget? Last fall, we asked Governor Dalrymple to support the dollar wage pass-through for long term care staff. In September 2012, Governor Dalrymple said the request was doable and reasonable, and that we had documented the need very well. With that statement we had great expectations that the funding would have appeared in HB 1012. Upon release of the Budget in December 2012 we found the dollar was not provided. The Governor did not provide the dollar because he was concerned anything over $0.50 would cause an upper payment limit (UPL) issue. The Governor did not want to provide an increase to only have it taken away. It has since been determined a dollar wage pass-through will not cause a UPL problem.

The dollar will make a difference. When you provided a $1.50 wage pass-through in 2001, CNA turnover dropped over 30%. Money makes a difference; we need your support on the dollar. It will help us decrease turnover and decrease our reliance on contract nursing. Please help us stabilize our staffing and fund the dollar.

Why the 4% Annual Inflator is Needed?

Overall, costs are increasing for long term care facilities. According to the Department of Human Services chart on CPI, Medical Care Services inflation index averaged 4.3% in 2012. Hospital and related services averaged 5.8%. For 2012 and 2013, the legislature provided a 3% inflationary adjustment. Based upon nursing facility cost reports filed with the Department of Human Services, actual nursing facility operating cost increases for the past three years have been:

Year	Percentage
June 30, 2010	10.2%
June 30, 2011	4.98%
June 30, 2012	5.0%

Our cost of operating is increasing greater than past inflationary adjustments, we need a 4% to help keep pace with our operating costs.

In our facilities, salaries make up around 60% of our costs and in addition there are numerous other expenses such as food, utilities, fuel and medications that we have little or no control over. I have always managed to at least break even at the end of prior fiscal years. This year, however I am currently operating at a $112,000 deficit through the first seven months due to costs increasing at a rate far greater than the 3% inflator we are currently operating under. You can only absorb these losses for so long, and as indicated earlier there are facilities that were no longer able to keep their doors open as a result.

Maintain Quality Service

We believe and reports show (Attachment D – Article on Nursing Facilities) North Dakota nursing facility providers give some of the most outstanding care in the US. Staff are to thank for that quality of service, but so are you. Every session we ask you to dig deeper in your pockets and make care to our seniors, who are unable to provide for themselves, a top priority. You have provided that and we thank you for that commitment.

Personal Needs Allowance

At this time 52 out of every 100 residents in a nursing facility need Medicaid to help pay for their care. What this means is you turnover your social security check, retirement checks or any other source of income you receive, to help pay for your care and Medicaid makes up the difference. Of course you do get to set aside up to $6,000 for your funeral expense and another $3,000 in savings. But in essence, every Medicaid resident pays almost everything they have toward their cost of care. Each month, they are allowed a little bit of money, called a Personal Needs Allowance, to pay for "personal things" not allowed by the Medicaid Program. This allowance pays for all of their clothing, shoes, special hair care such as colors, & perms, candy, pop, cable TV, and cell phones. Nursing facility residents have not received an increase in this "allowance" since 2002, or over 11 years ago. In 2002 they received $50 per month and today they still receive $50 per month. HB 1012 increases this monthly amount to $65 per month. We appreciate that increase, but based upon the needs of residents, we are requesting an increase to $85 per month, the amount provided today for basic care and DD residents.

Originally HB 1012 increased the PNA for basic care residents from $85 to $100 per month. They have the physical and mental ability to be more involved in the community. This was in the budget and then eliminated by the House. We urge you to put this back in the budget.

The House also added language in HB 1012, so that an automatic inflator for this allowance could be provided every biennium beginning in 2015. Just as we all hope to receive an annual inflationary adjustment in our wages, so should our citizens who rely upon us for their care and services. Many basic care residents still love to go to movies, on occasional "eating out" and provide a birthday card with $5 to a grandchild or great grandchild. At first glance this appears to be helpful, however we are asking you make a couple of changes to the House plan. The two changes we are requesting:

1. Make the inflationary adjustment an annual adjustment (rather than biennial). Under the current language, it would take until the year 2045 to achieve $85 per month (See Attachment A).
2. Increase the PNA of nursing facility residents to $85.00 and basic care residents to $100.00.

In conclusion, thank you very much for the opportunity to testify in support of HB 1012 and offer some enhancements. At this time I would be happy to answer any questions or have Kurt Stoner, the Administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND testify.

Greg Salwei, Chairman
North Dakota Long Term Care Association
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Attachments:
Nursing Facility & Basic Care Personal Needs Allowance (PNA)
Nursing Facility Workforce
Nursing Facility Payment System
Article from Newspaper
Upper Payment Limit
Basic Care Facilities
Assisted Living Facilities

Attachment A

Nursing Facility Personal Needs Allowance (PNA)

Biennium	PNA's	2% Adjustment	Total
2015	$65.00	1.02	$66.30
2017	$66.00	1.02	$67.32
2019	$67.00	1.02	$68.34
2021	$68.00	1.02	$69.36
2023	$69.00	1.02	$70.38
2025	$70.00	1.02	$71.40
2027	$71.00	1.02	$72.42
2029	$72.00	1.02	$73.44
2031	$73.00	1.02	$74.46
2033	$74.00	1.02	$75.48
2035	$75.00	1.02	$76.50
2037	$77.00	1.02	$78.54
2039	$79.00	1.02	$80.58
2041	$81.00	1.02	$82.62
2043	$83.00	1.02	$84.66
2045	$85.00	1.02	$86.70

Basic Care Personal Needs Allowance (PNA)

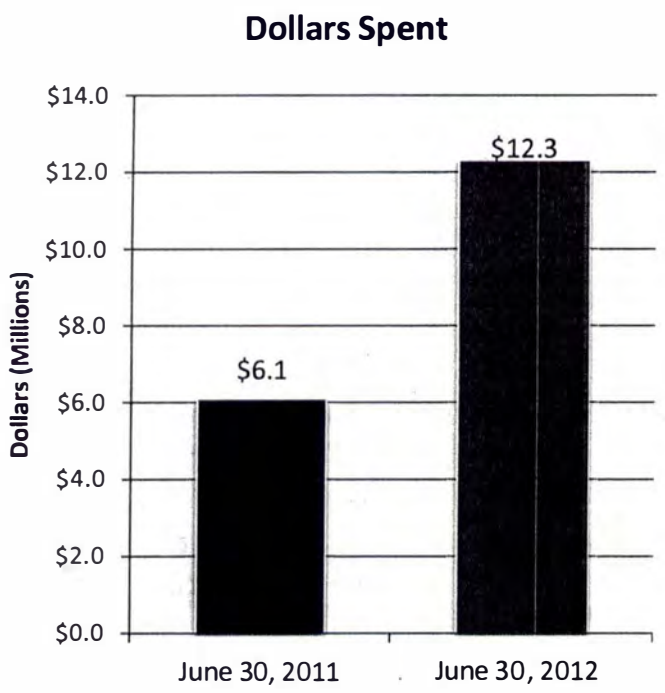
Biennium	PNA's	2% Adjustment	Total
2015	$87.00	1.02	$88.74
2017	$89.00	1.02	$90.78
2019	$91.00	1.02	$92.82
2021	$93.00	1.02	$94.86
2023	$95.00	1.02	$96.90
2025	$97.00	1.02	$98.94
2027	$99.00	1.02	$100.98
2029	$101.00	1.02	$103.02

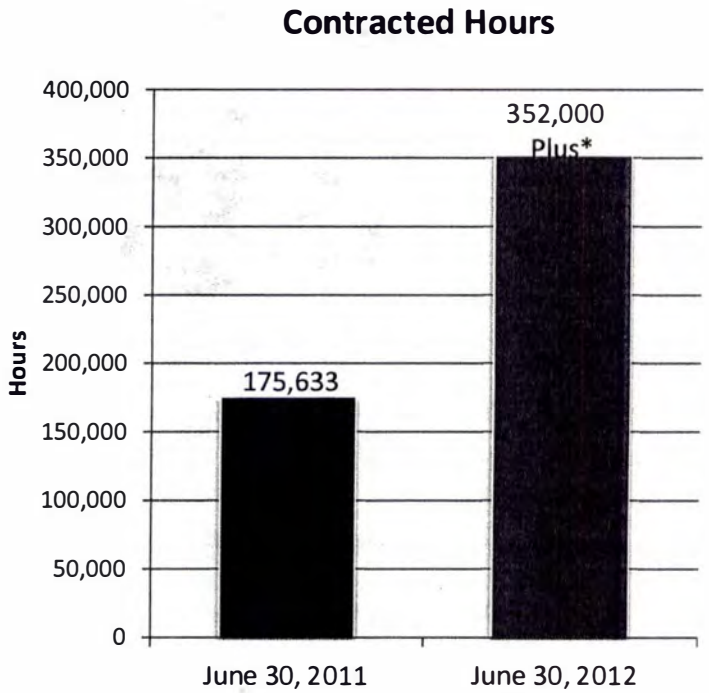
Nursing Facility Workforce

Nursing Facility Workforce

- Top issue facing nursing facilities is staffing.
- Number of individuals employed in 68 nursing facilities was 9,267. Based upon this ratio, total people employed by 83 nursing facilities are estimated to be 11,311.
- July 1, 2012, sixty-three nursing facilities reported 751 vacant positions.
- Nine of sixty-six reporting nursing facilities stopped admissions in 2012 because of a lack of staff.
- Sixty-six percent of nursing facilities, 2 out of 3 facilities, used contract agency staff in 2012.
- Contract nursing hours and dollars more than doubled in twelve months.
- The 2012 average salary increase provided was 2.9%, however one-third of nursing facilities also provided an extra enhancement to retain their employees. Enhancements were as high as $5 per hour to 20% increases.

Contract Nursing

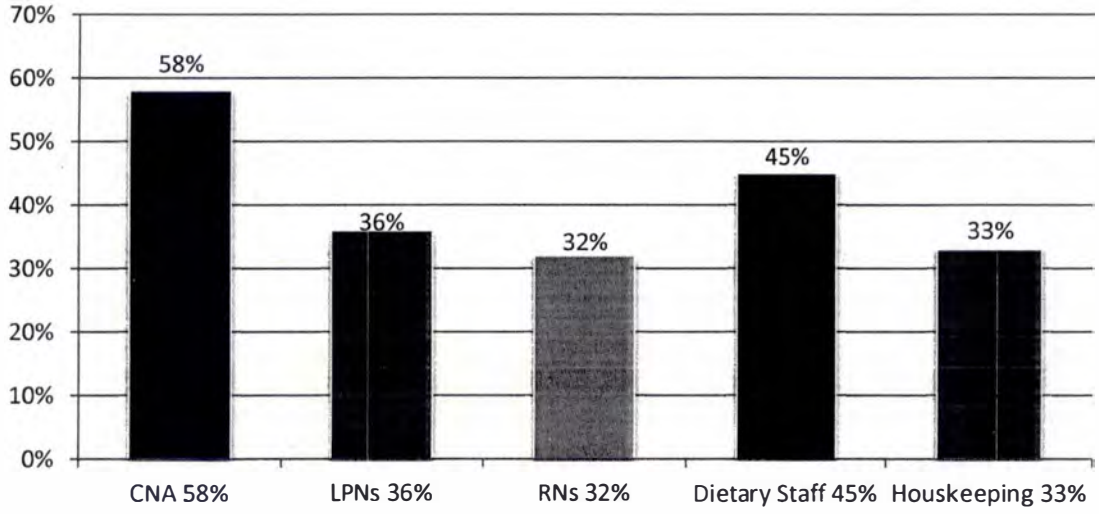




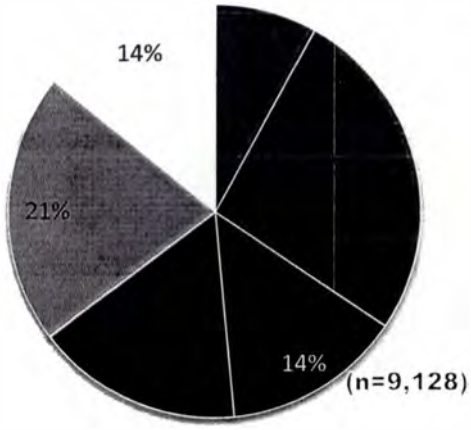
*Not all facilities submitted hours

Nursing Facility Workforce (continued)

2012 Staff Turnover



Age of Nursing Facility Workforce



- 19 & Under 8%
- 20-29 26%
- 30-39 14%
- 40-49 16%
- 50-59 21%
- 60 & Over 14%

- Turnover and age of our workforce will create an unprecedented demand for employees in the next 10 years.
- The youngest employee is 14 and the oldest employee is 99.
- Over one-third of our workforce is age 50 and older.
- North Dakota will need 1,880 additional nurses by 2018.

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NURSING FACILITY PAYMENT SYSTEM

MINIMUM DATA SET FOR PAYMENT

The state adopted the Minimum Data Set (MDS) for its payment system on January 1, 1999. The MDS provides a wide array of information regarding the health status of each resident. The payment system has forty-eight facility specific rates. Each resident is evaluated at least quarterly and the intensity of their needs determines their rate classification.

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 equalized 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 limits are calculated based on the **June 30, 2010 cost report** inflated forward to 2013. The legislature allowed rates and limits to be increased by 3% in 2012 and 2013.

Limits (the maximum that will be paid) are set for the direct care, other direct care and indirect care components by utilizing the **2010** 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 either 10% or 20% to the cost of that median facility. The **direct care** and **other direct care** limit is established by adding **20%** to the cost of that median facility. The **indirect care** limit is established by adding **10%** to the cost of that median facility. The limits are then inflated annually by the legislative approved inflation factor.

Direct Care Rate. Costs in the Direct Care Category include: nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. On January 1, 2013 the direct care limit was set at $151.19 per day. Nine nursing facilities currently exceed this limit. The nine nursing facilities over the limit spent $1,871,777 in nursing that will not be recouped.

Other Direct Care. Costs in the Other Direct Care Category include: food, laundry, social service salaries, activity salaries and supplies. On January 1, 2013 the other direct care limit was set at $25.46 per day. Seven nursing facilities currently exceed this limit. The seven nursing facilities exceeding the limit spent $269,663 in costs that will not be recouped.

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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. On January 1, 2013 the indirect limit was set at $65.13 per day. Twenty nursing facilities currently exceed this limit. The twenty nursing facilities exceeding the limit spent $3,439,786 in indirect care expenses. These costs will not be recouped.

Property rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The average property rate is $17.59 per resident per day, with a range of $2.71 to $83.74.

Occupancy Limitation – In the June 30, 2012 cost reporting period, twenty-five nursing facilities reported twelve month occupancy averages at less than 90%. Together they incur $1,228,484 in penalty costs because they operate under 90% occupancy.

Incentives - A reward is provided to nursing facilities that are under the limit in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to the indirect limit. Facilities are able to receive 70 cents for every dollar they are below the limit up to a maximum of $2.60 per resident day. In 2013, fifty-four nursing facilities received an incentive, with the average per day incentive at $2.35. Of the fifty-four nursing facilities receiving an incentive, the incentive ranged from $0.20 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 2013, the average operating margin is $3.84 per resident per day.

Inflation - Rates are adjusted for inflation annually. Inflation is a rise in price levels that are generally beyond the control of long term care facilities. Examples of price level increases include the 9.7% increase in health 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 58% in 2012.

Annual inflationary adjustments are set every legislative session.

Rebasing – A limit is establish on the maximum that will be paid in each cost category. The 2013 limits are based upon the June 30, 2010 cost report inflated forward to 2013. The limits are inflated annually by the legislatively approved inflation factor until rebasing occurs. The next time limits will be rebased is January 1, 2017 using the June 30, 2014 cost report.

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INFORUM
The Forum of Fargo-Moorhead

Attachment D

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ND nursing homes have nation's lowest rate of serious deficiencies

FARGO – Inspections of North Dakota nursing homes resulted in the lowest number of serious deficiencies in a review of reports for all 50 states.

By: **Patrick Springer**, INFORUM

FARGO – Inspections of North Dakota nursing homes resulted in the lowest number of serious deficiencies in a review of reports for all 50 states.

Figures compiled by ProPublica, an independent news organization, found that North Dakota nursing homes had one serious deficiency during the past three years, and had the lowest rate of serious deficiencies in the nation.

North Dakota's rate of serious deficiencies per nursing home was 0.01. South Dakota recorded the second-lowest rate, 0.03, while Minnesota's serious deficiency rate was 0.13.

A spokesman for the Denver region of the Centers for Medicare and Medicaid Services, which oversees North Dakota, said the numbers reflect good nursing home care in the state, not lax oversight.

"This doesn't surprise us at all," said Michael Fierberg, a spokesman for Medicare and Medicaid, which pay for nursing home services and oversee care in partnership with the states.

"To me, this is a result of which North Dakota should be quite proud. It's as simple as that."

ProPublica, citing an earlier report by the Government Accountability Office, said enforcement of nursing homes varies widely among the states, and often falls short.

States contract with the federal Center for Medicare and Medicaid Services to inspect nursing homes, and the state and federal governments split any fines for violations.

North Dakota inspectors, who noted 1,408 total deficiencies in 83 nursing homes, levied no fines during the past three years, according to the ProPublica report.

South Dakota inspectors found 1,330 total deficiencies and three serious deficiencies in 111 homes, and imposed no fines.

Inspections of Minnesota's 379 homes found 8,547 total deficiencies and 50 serious deficiencies, resulting in 128 fines totaling $234,077.

The most serious deficiency included in the inspection reports compiled by ProPublica for North Dakota involved inspections of a nursing home in Hettinger in which proper lifts were not used to move residents, and serious injuries resulted.

The problems were addressed, said Bruce Pritschet, who oversees nursing home inspections for the North Dakota Department of Health.

North Dakota rarely imposes civil monetary penalties, and does so only in the most severe cases, he said.

"We call it the big gun," Pritschet said, adding the penalty is used only for "very serious, very egregious situations."

The first level of sanction is to freeze a nursing home's patient admissions until the deficiencies are addressed. Most regain compliance within the 15-day notice period, he said.

"Most of them pull all the stops to get the corrections made," Pritschet said.

He added: "I don't believe it's lax. If anything, we probably hold them to a higher standard," since the state only has to inspect 83 homes.

The Centers for Medicare and Medicaid Services, which must approve all fines, typically levies fines when nursing homes fail to rectify problems, Fierberg said.

"It's not our goal here to extract as much money from the outliers as we can," he said. Getting nursing homes back into compliance with standards is the goal.

In North Dakota, South Dakota and other neighboring states, "When we do find problems they are quickly resolved," Fierberg said.

Shelly Peterson, president of the North Dakota Long Term Care Association, which represents nursing homes, welcomed the ProPublica findings.

"We're very, very pleased with the information," she said. "Facilities work very, very hard to meet the standards."

Incidents highlighted in the ProPublica report included two nursing home deaths, one in Texas and one in South Carolina.

Readers can reach Forum reporter Patrick Springer at (701) 241-5522

Tags: north dakota, news, health

More from around the web

Nursing Facility Upper Payment Limit (UPL)

What is a UPL?

Each state has the authority to set their own nursing facility payment system, however to claim the federal matching dollars it must comply with the UPL. The UPL refers to a system or formula that shows rates are reasonable and would not exceed what would normally be paid under Medicare cost principles.

Problem with 2010 UPL:

The UPL formula for 2010 compared the aggregate Medicaid rates to the aggregate Medicare rates. In making the comparison between Medicaid versus Medicare rates, you must evaluate and compare at the same RUG levels. In 2010, North Dakota had the lowest Medicare rates in the nation. When the comparison test was done in 2010, it found North Dakota did not meet the UPL test.

Rather than lose federal funds and be forced to cut nursing facility rates in 2010, DHS employed an expert consultant, Joe Lubarsky and asked him to devise a new formula for meeting the UPL test. With Joe's assistance, a new UPL methodology was proposed by DHS to CMS. After numerous negotiations/changes CMS accepted the new UPL methodology.

This new UPL methodology allowed all rates to remain in place and nursing facilities did not experience rate reductions in 2010.

New UPL Test for Nursing Facilities:

The new UPL test for 2010 and each year thereafter is based upon the aggregate provider costs compared to the Medicaid rates. Under this new formula, Medicaid rates need to be less than your costs. Every facility in the 2013 UPL computation has costs higher than their 2013 rate. The differential ranges from $2.86 to $43.19, the weighted average being $9.06. For the January 1, 2013 rate year, nursing facilities spent an additional $8.2 million more than provided in the rates.

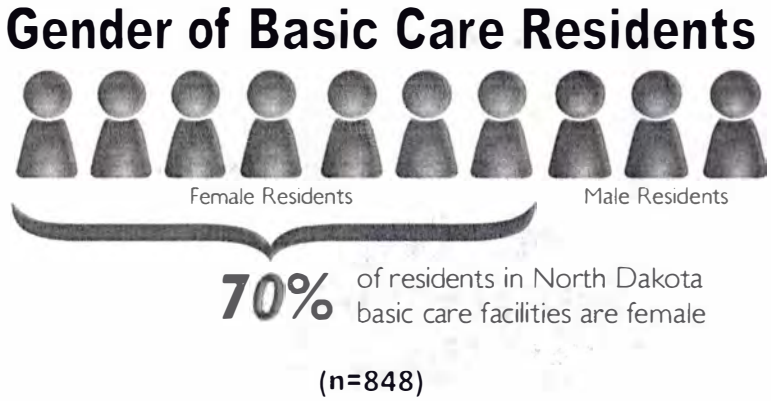
Will UPL be an Issue in Future Years?

Each year the Department will apply the UPL test to determine if North Dakota nursing facilities meet the calculation. As long as facilities costs exceed the percentage increase in the rate, the yearly UPL computation should be achieved.

Basic Care Facilities

Basic Care at a Glance:

- 70 licensed basic care facilities
- 1,827 licensed beds
- 2012 average monthly rate is $3,272
- 2012 average occupancy is 85%



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Basic Care Facts:

- A basic care facility is a congregate residential setting with mostly private rooms (88%).
- The facility provides 24-hour onsite staff.
- Basic care provides an all-inclusive rate providing room, meals, personal care services, supervision, activities, transportation, medication administration, nursing assessment and care planning.
- Current residents range in age from 24 to 105 years old, with the average age being 78.

Care Needs of Basic Care Residents:

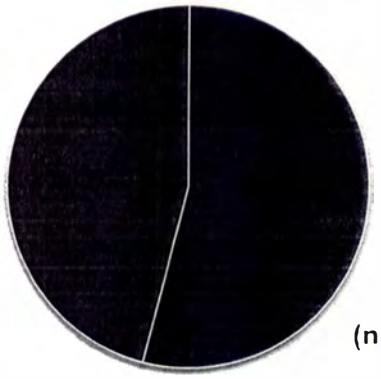
- 74% of residents have impaired mental status, ranging from early stage dementia to significant mental health issues.
- 96% of residents need full assistance with medication administration.
- 41% of residents are receiving psychoactive drugs.
- The average basic care resident is on 11 different medications.
- Most residents are independent in dressing (63%), with less than 10% requiring extensive assistance (7.5%).
- 80% of residents need assistance in bathing.
- Most residents are fully independent in eating (90%), toileting (82%) and transferring (95%).
- 65% are ambulatory and do not need any staff assistance, 57% use a walker or cane and very few use a wheelchair (7%).

Basic Care Facilities (continued)

Top three reasons for basic care admission:

1. Unable to be or live alone
2. Assistance with daily cares
3. Mild to moderate confusion

Who Pays for for Basic Care?



- Basic Care Assistance 54%
- Private Pay 46%*

*13% of residents have LTC insurance that helps pay the bill.

(n=830)

2013 Legislative Priorities for Basic Care

- HB 1012: Four percent inflationary adjustment on costs and limits.
- HB 1012: $1 an hour wage/benefit pass-through for all basic care staff.
- HB 1384: Allow housing as an employee benefit.
- HB 1041: Support statewide guardianship program.
- HB 1172: Allow basic care bills to be paid as a priority during estate recovery.
- HB 1012: Increase personal needs allowance to $100 per month with annual adjustment.
- HB 1209: Eliminate the basic care administrator salary limitation.
- HB 1035: Support the basic care moratorium and exception process.
- Continue to support the sales tax exemption for basic care.
- Support Medication Assistants I's for working in assisted living and basic care.

North Dakota Long Term Care Association
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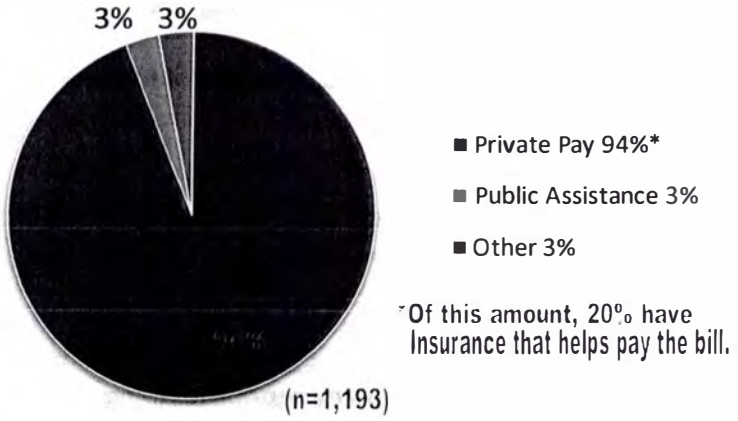
Assisted Living Facilities

Assisted Living Facilities at a Glance:

- 73 licensed assisted living facilities
- 2,630 licensed units
- 2012 average occupancy is 94%
- Cost is based on size of living unit and service package.

Who Pays the Bill in Assisted Living Facilities



Assisted Living Facts:

- An assisted living facility is a congregate residential setting with private apartments and contracted services.
- A la carte services are contracted based upon an agreed upon service plan.
- A basic rental package generally includes meals, housekeeping, activities, transportation, cable TV and laundry.
- Facilities provide a full range of services from bathing to medication management to hospice care.
- Current tenants range in age from 44 to 105, with the average age being 86.
- The average length of stay is 718 days.

Care Needs of Assisted Living Tenants:

- Assistance with daily care and isolation are the top issues precipitating the desire to move into an assisted living facility.
- 49% of tenants have impaired mental status ranging from confusion/forgetfulness to a mental health diagnosis.
- 49% of tenants need full assistance with medication administration. Tenants on average take ten over-the-counter and prescription medications daily.
- Most tenants are fully independent in eating (99%), transferring (95%), toilet use (95%) and dressing (79%).
- 45% of tenants periodically use the assistance of a walker.

Assisted Living Regulations:

In 2009 the assisted living profession advocated for enhancements to the assisted living regulations. Regulations address staff training, background checks and customer satisfaction. Each facility must:

- Tenancy Criteria. Each assisted living facility has tenancy criteria that is fully disclosed to all tenants.
- Training. Assisted living administrators complete at least twelve hours of continuing education per year. All direct care staff receive annual training in resident rights, fire and accident prevention, mental and physical health needs of tenants, behavior problems and interventions and infection control.
- Background Checks. All assisted living facilities conduct a reference and previous employment check prior to hiring. They also check all applicable registries to assure individuals are in good standing prior to the offer of employment.
- Satisfaction Surveys. Assisted living facilities conduct at least one satisfaction survey every twenty-four months. A copy of the results are shared with all tenants. Three out of five (61%) assisted living facilities use an independent company for the completion of the satisfaction survey. The remaining facilities use an internal self administrated survey instrument.
- Complaints. The Department of Human Services is the entity responsible for receiving complaints related to assisted living. They evaluate the complaint and forward it to the appropriate agency for investigation.

2012 Assisted Living Satisfaction Results

Respondents to a recent survey of assisted living facilities (n=16) rated North Dakota facilities in the following categories. Percentages of positive rating from the survey:

- Overall satisfaction 93.8%
- Personal care 93.6%
- Dining room service 92.9%
- Cleanliness 97.4%
- Response to problems 93.6%
- Dignity and respect 98.4%
- Communication 96.2%
- Activities 90.3%
- Move-in process 96.1%
- Security and safety 98.9%
- Recommend to others 97.8%

2013 Legislative Priorities for Assisted Living

- Support the current assisted living regulations and standards.
- Continue to support the sales tax exemption for assisted living.
- Support Medication Assistants I's for working in assisted living and basic care.
- Support a free and open market in the number and location of assisted living facilities.

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Kurt Stoner
HB 1012
3-12-13

#33

Testimony on HB 1012
Senate Appropriations Committee
March 12, 2013

Good morning Chairmen Holmberg and members of the Senate Appropriations Committee. My name is Kurt Stoner. I am the administrator of Bethel Lutheran Nursing and Rehabilitation Center in Williston, ND. Bethel is comprised of 168 skilled care beds, 19 basic care beds and 33 assisted living units. In addition our Foundation owns and manages 62 senior independent apartments.

I am here today to testify in support of HB 1012 with a 4% inflator and a $1.00 salary increase for all skilled and basic care employees.

Bethel has provided care and services to our regions senior and at need population for over 64 years. I can honestly say our ability to continue this rich tradition has never been more challenged than it is as we sit here today.

Our audited financial statements for year ending, June, 30 2012 reflects a loss of operations of $844,561 from skilled and basic care. During this time span Bethel hired 221 new employees. During this same time span 201 employees retired, resigned, or were terminated. Of the 201 employees 138 started and ended their employment within 12 months.

The vast majority of our new hires are not from Williston, the State of North Dakota, or even neighboring states. The competition for qualified employees in Williston is intense. Currently starting pay at Walmart is $17.00 an hour, hotels pay $15.00 per hour for housekeepers and for employment of supporting roles directly in the oil field, salaries are much higher. Facilities like Bethel must remain competitive if we are to deliver care and services.

In order to continue to meet the needs of our residents, Bethel, like many nursing facilities in Western North Dakota has had to utilize agency staff to supplement our staffing needs. In year ending June 30, 2012 Bethel spent 1.3 million on agency CNAs, LPNs and RNs. In addition to the added expense of utilizing agency staff, the dollars spent on overtime, call-in pay, and sign on bonuses is more than we have ever paid before.

As a result of the large increase in expenditures to maintain quality care Bethel now finds itself over the Direct Care limit. What this means for Bethel is approximately $109,000 of Direct Care spending that cannot be included in our new daily rates.

Currently Bethel has open positions in nursing, laundry, housekeeping, activities and maintenance. Together these open positions account for 23 full time equivalents. I wish I could tell you that it is getting easier to be a non-oil related employer in Williston. You have probably all heard of the rapid expansion in housing and rental units in Williston. While it is true there is a lot of building taking place....it is unaffordable. I am not aware of any newly built, market rate apartment complexes with rents below $2,200.00 for a two bedroom unit. In addition, the majority of existing apartment complexes have been sold to new investors ready to make their fortune.

Recently an apartment complex that was built in the 1950's was sold and rents increased to $2,000.00 per month with only a 30 day notice. Another large complex built in the early 1980's has steadily increased its rent to $1450.00 for a two bedroom unit with a one month rent term. The tenant does not even get the peace of mind knowing their rent will remain the same for over a one month period.

Bethel's Activity Supervisor recently resigned. She has been forced to move back to her hometown of Watford City after her rent for the 3 bedroom apartment in Williston she was leasing increased to $4,000.00 per month. The building had been sold and it was obvious the new owner needed it for their own employees.

On a bright note, Williston State College is currently building a 72 unit apartment complex designed for service workers. The units will be affordable, but in reality, they are just a fraction of the number of units in Williston that are no longer affordable. We have been told that Bethel may be able to utilize up to 10 of these units, at the present time we have more than that number of our current employees on a list who can no longer afford where they live.

Many of our employees live in smaller communities surrounding Williston, including eastern Montana. To some extent they are able to find housing somewhat more affordable. This also presents another challenge with the recent blizzard we experienced 11 call-ins who were unable to report to work.

The lack of affordable daycare in Williston is also a limiting factor for many who need to work. Our Human Resources Supervisor is limited to working two days a week because of the lack of daycare.

Senior care services were greatly diminished in Williston with the closure of the Kensington in December of 2012. As recently as 2010 the Kensington provided senior care to 39 Assisted Living tenants and 71 Basic Care residents. As a direct result of the Bakken today this facility houses only oil field workers.

Recently our Long-Term Care Association was informed that the Good Samaritan Society will no longer operate the nursing facility in Crosby, ND. It is hopeful that the local hospital will take over operation.

If facilities are to remain viable we have to remain competitive in the market to attract caring, compassionate staff. The residents that we care for are the same residents that have made Western North Dakota what it is today. My hope is that we do not forget the sacrifices that these residents have made in times less fortunate as they find themselves now in need of our care.

Thank you for allowing me to share about Bethel's challenges as a provider of Senior Care Services in the heart of the Bakken. I ask for your support of HB 1012.

Barbara Murry 34
HB 1012
3-12-13

TESTIMONY
House Bill 1012 – DHS / LTC Continuum – QSP Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am submitting written testimony on the Aging Services section of the long term care continuum in HB 1012

The North Dakota Association of Community Providers is made up of 29 organizations across the state. Of those agencies, 12 are registered to provide QSP Services. Among our agencies, Easter Seals Goodwill is the largest provider of QSP Services.

We are requesting your support for the Governor's budget, which includes an increase of 4% each year of the biennium. We are also requesting support for a $1.00 per hour increase. The Governor's budget, and the budget sent to you from the House includes $.50 of this request. We also support the increase in the Governor's budget which will assist with the mileage costs for QSPs as we believe it will allow QSPs to continue to provide services to ND citizens with disabilities.

Chairman Holmberg, I would be happy to respond to any questions.

Barbara Murry
220-4778
barbndacp@midco.net

Maggie Anderson
HB 1012
3-12-13

35

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 12, 2013

Chairman Holmberg, members of the Senate Appropriations committee, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services (Department). 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 the Developmentally Disabled Community-Based Care grants; 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; the Medicaid Technology-Dependant Waiver; Personal Care; the Program for All-Inclusive Care of the Elderly (PACE); Targeted Case Management; Children's Medically Fragile Waiver, Children's Hospice Waiver, and the Medicaid Home and Community-Based Services Waiver.

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.

I will provide an overview of the Long-Term Care Continuum budget, with the exception of the Developmental Disabilities grants, which will be provided by Tina Bay, Director of the Developmental Disabilities Division.

Program Trends

Nursing Facilities

As of September 30, 2012, the percentage of Medicaid-eligible individuals in nursing facilities was 52 percent. Attachment A shows the Licensed and Occupied Nursing Facility Beds since October 2010, and Attachment B shows the Medicaid occupied beds. Based on the September 30, 2012 occupancy reports, 35 facilities were below 90 percent occupancy. The average occupancy for these 35 facilities is 81 percent. (Two years ago when the Department presented budget testimony, there were 24 facilities below 90 percent occupancy.)

Basic Care

The number of basic care beds available and utilized by individuals who are Medicaid eligible has increased during the current biennium. There has been considerable change in the basic care area with several facilities closing, several new facilities opening or planning development or expansion projects, and others increasing or decreasing their licensed capacity. The Department has accounted for these changes in the development of the 2013-2015 budget estimate.

Home and Community-Based Services

Home and Community-Based Services (HCBS) continue to provide an array of services determined to be essential and appropriate to sustain individuals in their homes and in their communities, and to delay or prevent institutional care. HCBS staff work closely with county case managers and providers to ensure clients have the services they need in a timely and efficient manner. Ongoing collaboration occurs between HCBS staff and the Centers for Medicare and Medicaid Services (CMS) to identify changes in federal requirements and to continually enhance

quality measures to assure clients and families are receiving the appropriate services to meet their needs.

Enrollment into HCBS has remained consistent with equal numbers of people leaving as coming into the program. The number one reason for dis-enrolling from services has been death of the individual, which indicates that home and community-based services are able to assist individuals and families longer within their homes when independent skills begin to fail.

Major Program Changes

2011 House Bill 1325 allowed a Nursing Home bed layaway. According to information from the Health Department, as of July 1, 2012, nine nursing homes had utilized this provision by de-licensing 107 beds. One reason that facilities de-license beds is to ensure they are over the 90% occupancy limit, which positively impacts their nursing facility rates.

2011 Senate Bill 2077 as enacted required individuals applying for assistance under the Basic Care Assistance Program to apply for, and if eligible, to receive benefits under the Medicaid program. The bill also added a new chapter to Title 50 of the North Dakota Century Code relating to Expanded Service Payments for the Elderly and Disabled (ExSPED). Section 8 of 2013 House Bill 1012 requests replacing "and" with "or" which will correct an oversight made in this bill.

During the interim, the Department launched an online billing tutorial to assist qualified service providers (QSPs) with accurate billing practices. By using the online system, QSPs experience fewer delays in payments caused by common billing errors.

Currently, the HCBS staff is conducting statewide education sessions for QSPs which are intended to provide information to currently participating QSPs and hopefully recruit additional individuals to become QSPs.

The HCBS audit processes have been enhanced to maximize the use of technology and improve workflow. This has allowed the Division to increase the number of audits conducted each year. In addition to annual audits of case management service in each county, in 2011, 85 QSP audits were completed, and for 2012, 165 QSP audits were completed.

The Medical Services Division is also updating the background check process to capture necessary information pertaining to new providers who are from out of state.

Medically Fragile Waiver:

The Children with Medically Fragile Needs waiver is seeing a slow increase in families accessing the services. Currently, there are seven children receiving services through the waiver, with another soon to transition from the Early Intervention program. Since the beginning of the waiver in 2008, fourteen families have been assisted with this waiver.

Children's Hospice Waiver:

Since the beginning of the waiver in 2010, two families have been assisted with maintaining their terminally-ill child within their home until the end of life. This waiver helps North Dakota families cope with the additional financial burden of having a child with a terminal illness and encourages families to maintain their child in the home.

Money Follows the Person Demonstration Grant

The federal government awarded the Department a Money Follows the Person (MFP) grant in 2007. The MFP Grant is designed to assist states with increasing the use of home and community-based services to meet the long-term service needs for Medicaid-eligible individuals. Grantees are expected to assure individuals receive support and services in settings of their choice and to provide quality assurance for eligible individuals receiving Medicaid home and community-based long-term care services.

MFP grant funds help eligible individuals who are elderly or have physical, intellectual or other disabilities and who live in nursing homes, the Developmental Center, or other institutions transition to community settings.

A MFP Stakeholders Committee was formed in 2007 to assist in development and implementation of North Dakota's MFP grant program. The committee meets quarterly and is composed of consumers, provider agencies, advocacy organizations, and staff of the Department. One primary purpose of the committee is to assist the state in addressing barriers to the provision of home and community-based services for the elderly and individuals with disabilities.

The MFP demonstration effort has been a tremendous success. To date, the grant has assisted 125 individuals in transitioning from institutional care. The demonstration effort is also intended to identify areas of the system where changes could be made that would support individuals receiving the necessary supports in a home or community-based setting. This effort allows the Department to test a variety of services to facilitate transitions and support the needs of those transitioned and will help

determine if these services are important for eventual implementation into the HCBS area. Some of these activities include:

MFP Housing Initiative

The North Dakota Center for Persons with Disabilities at Minot State University is under contract to implement the MFP Housing Initiative which includes identifying housing needs, developing a searchable housing registry, working with state housing agencies on housing issues, and assisting MFP clients with housing searches.

Nurse Quality Program

St. Alexius Home Health and Hospice is under contract to provide an on-site health assessment prior to and after transition to review health-related needs and make recommendations on support services and follow-up with service delivery.

North Dakota State Hospital (NDSH) Transition Assistance

MFP Rebalancing funds have been used to assist with one-time transition costs for consumers discharging from the NDSH to a community setting. The assistance provides up to $2,500 per person to pay for items such as deposits, furniture, assistive technology, household supplies etc. Fifteen individuals have been assisted through November 2012.

Transition Adjustment Support

MFP has developed a new demonstration service to provide up to 120 days of educational supervision to individuals returning to live in the community. To date, this service has been used by seven individuals.

Direct Service Workforce Development Coordinator

CMS has approved MFP administrative money to fund a temporary position to assist with the development of all types of direct service workers. Having an adequate direct work force has been identified as one of the most important components of balancing and institutional diversion.

A look at MFP Transitions:

Grant Year	Older Adult	Individuals with a physical disability	Individuals with ID/DD	Children	TOTAL
2007	0	0	0	0	0
2008	1	1	3	0	5
2009	4	7	4	0	15
2010	4	6	16	0	26
2011	5	8	19	0	32
2012	13	21	12	1	47
Totals	27	43	54	1	125

Please refer to Attachment C, which shows the results of the MFP Quality of Life Survey that shows responses to several questions posed to individuals who have transitioned at zero, eleven and twenty-four months, post-transition.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Nursing Homes	459,836,020	41,458,803	501,294,823	(7,000,000)	494,294,823
Basic Care	25,972,395	10,307,932	36,280,327	(193,725)	36,086,602
Personal Care Community	29,149,905	(1,282,147)	27,867,758		27,867,758
SPED	13,782,988	750,173	14,533,161		14,533,161
Ex-Sped	942,224	384,721	1,326,945	(145,000)	1,181,945
Targeted Case Management	1,564,749	171,147	1,735,896		1,735,896
Home & Community Based Services	9,538,386	3,394,692	12,933,078	(1,000,000)	11,933,078
Children's Medically Fragile Waiver	318,780	(177,492)	141,288		141,288
Tech Dependent Waiver	500,136	(105,696)	394,440		394,440
PACE	9,370,980	941,401	10,312,381		10,312,381
Children's Hospice Waiver	974,430	(852,633)	121,797		121,797
Total	551,950,993	54,990,901	606,941,894	(8,338,725)	598,603,169
General Funds	253,988,879	60,474,106	314,462,985	(4,885,511)	309,577,474
Federal Funds	293,940,268	(4,568,385)	289,371,883	(4,000,000)	285,371,883
Other Funds	4,021,846	(914,820)	3,107,026	546,786	3,653,812
Total	551,950,993	54,990,901	606,941,894	(8,338,725)	598,603,169
FTE	-	-	-	-	-

Nursing Homes

The Executive Budget was based on Medicaid nursing home days paid. Comparing the 2011-2013 Executive Budget Request, the 2013-2015 Executive Budget Request, and the 2013-2015 Budget to the Senate, the monthly average days are projected to be:

2011-2013 Executive Request	2013-2015 Executive Request	2013-2015 to the Senate	
97,832	92,199	90,824	Nursing Facility
449	426	426	Dakota Alpha
975	1,460	1,460	Geropsych Unit
1,310	1,186	1,186	Swing Bed
2,650	2,494	2,494	Hospice Room and Board
1,888	1,187	1,187	Out of State
105,104	**98,952**	**97,577**	Total

Upper Payment Limit

Language regarding the Upper Payment Limit is included in Section 6 of House Bill 1012. The Medicaid regulations contain a requirement that

Medicaid payments to institutional providers, including nursing facilities, in the aggregate, cannot exceed what Medicare would pay, in the aggregate, for the same care. This is known as the Upper Payment Limit (UPL). The UPL must be calculated yearly for each type of facility: private, state-government owned, and non-state government owned.

House Changes:

Removes funding to increase the personal needs allowance from $85 to $100 per month for individuals in basic care facilities. Total funding removed was $193,725 of which 100 percent is general fund.

Reduces long-term care case load projections for a total of $8,145,000, of which $4,145,000 is general fund. The reductions are as follows:

Long- Term Care Area	House Reduction
Nursing Homes	$7,000,000
HCBS Waiver	$1,000,000
Expanded SPED	$145,000
TOTAL	$8,145,000

Changes the funding source for $546,786 from general fund to the Health Care Trust Fund. During the 2011 Legislative Session, the state match for House Bill 1325 was designated to be from the Health Care Trust Fund. Language was also included in 2011 Senate Bill 2012 that the Governor could not designate the use of Health Care Trust funds when preparing the Executive Budget request. The House changes shift the $546,786 from general fund to the Health Care Trust Fund for the 2013-2015 biennium.

Section 9 was added which establishes a methodology for increasing the Personal Needs Allowance each biennium, starting with the 2015-2017

biennium. Within this area of the budget, the Personal Needs Allowance is afforded to individuals in nursing homes and basic care facilities.

Section 10 was also added and would authorize $425,000 from the Health Care Trust Fund to provide a grant to an assisted living center that accepts low-income tenants for an expansion project.

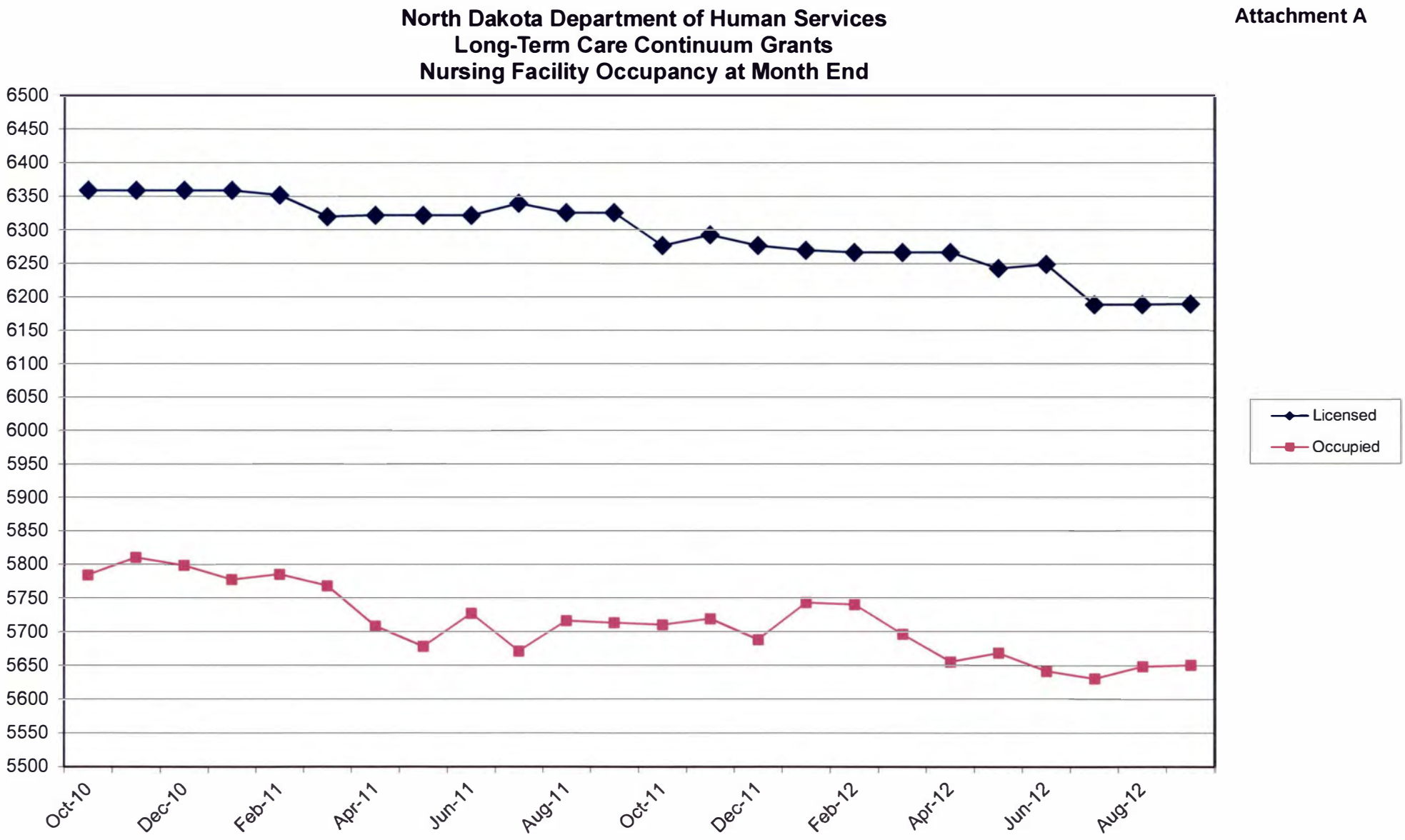
Attachment D shows historical information on expenditures and average daily nursing facility rates and has been updated with the changes related to the House amendments.

Attachment E shows the changes in the Long-Term Care Continuum Budget from 2011-2013 Appropriation to the 2013-2015 Budget to the House, and the 2013-2015 Budget to the Senate.

Attachment F is a cost and caseload comparison of the 2011-2013 Appropriation to the 2013-2015 Budget to the House, and the 2013-2015 Budget to the Senate.

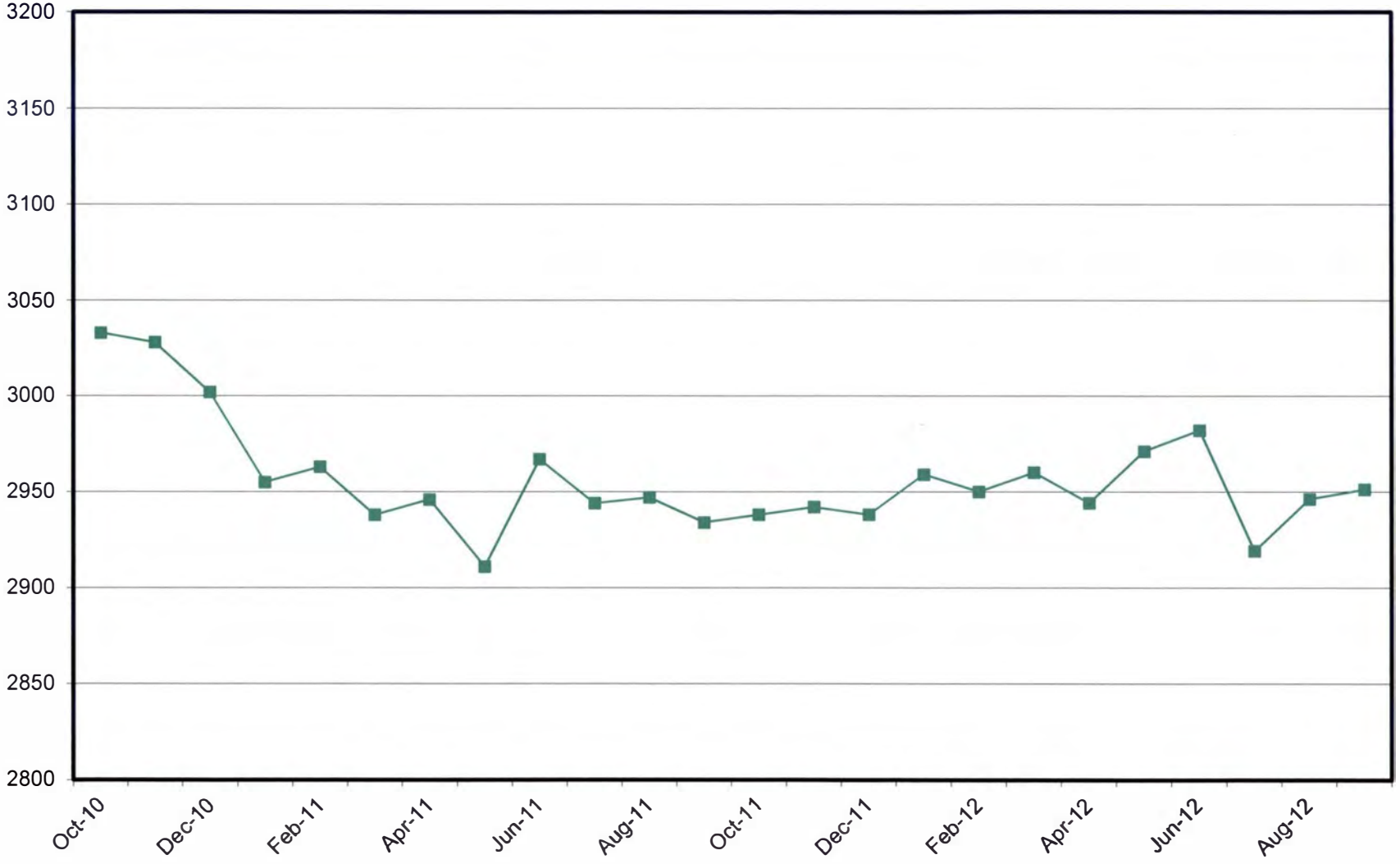
I would be happy to answer any questions you may have.

Attachment A



Attachment B

North Dakota Department of Human Services
Long-Term Care Continuum Grants
Nursing Facility Occupancy at Month End Medicaid ONLY



MFP Quality of Life Survey

Trend Data

Figure 1: Do you like where you live?

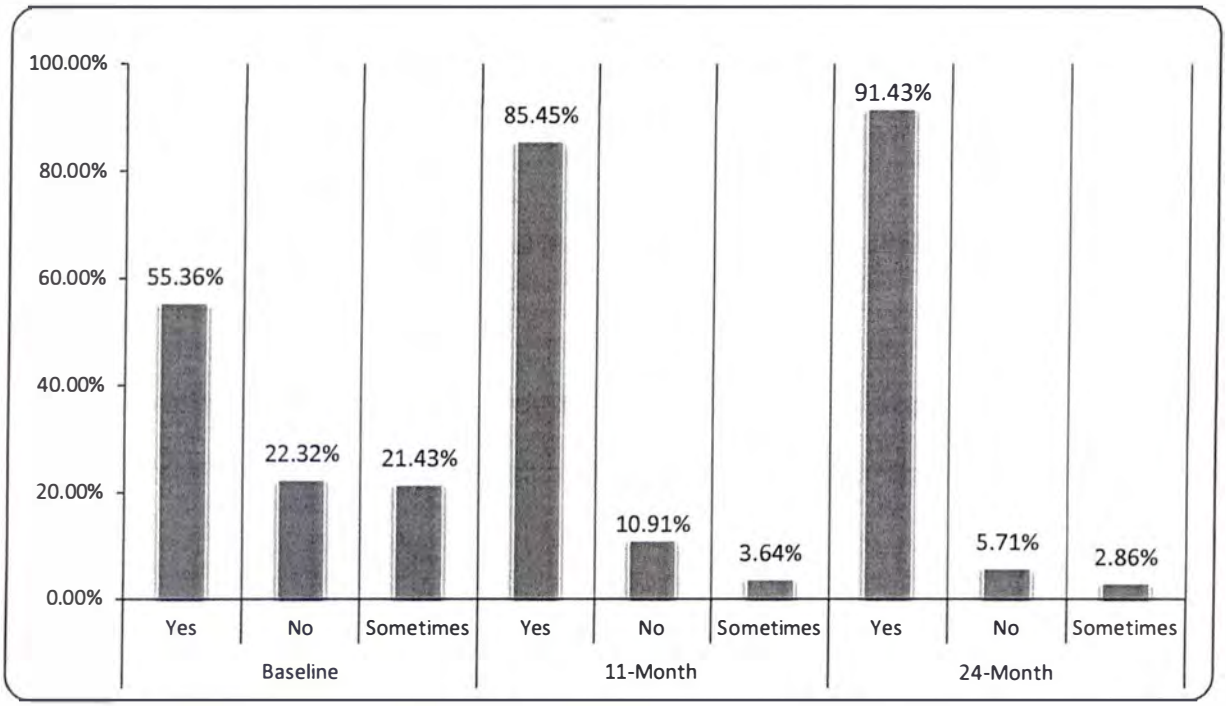


Figure 2: Do you ever go without taking your medicine when you need it?

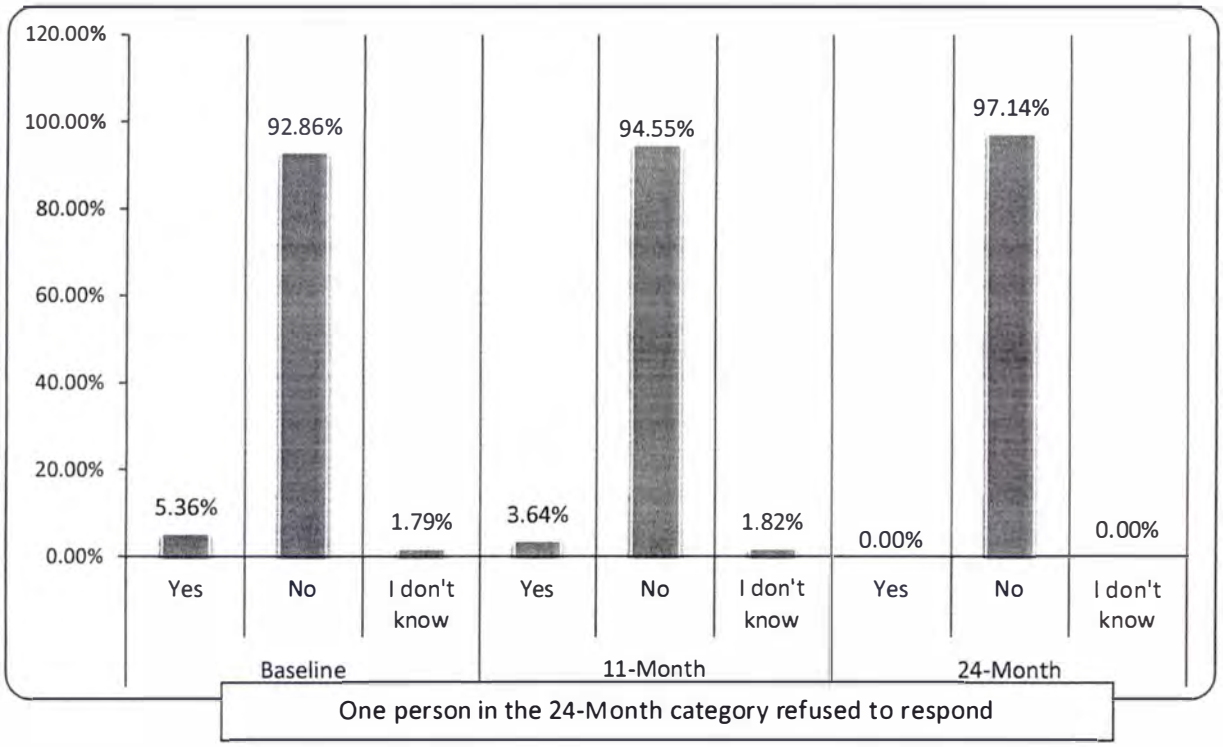
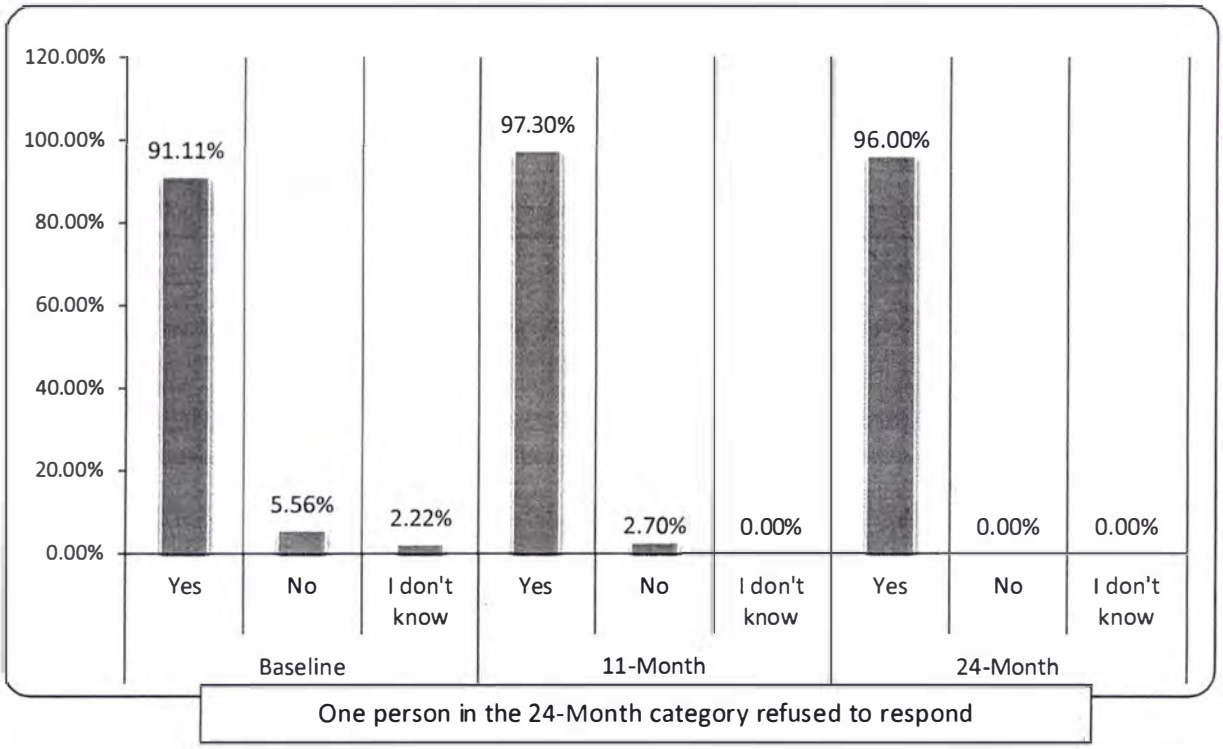


Figure 3: Do the people who help you treat you the way you want them to?



Prepared 12-12-2012

Figure 5: Can you get to the places you need to go, like work, shopping, or the doctor's office?

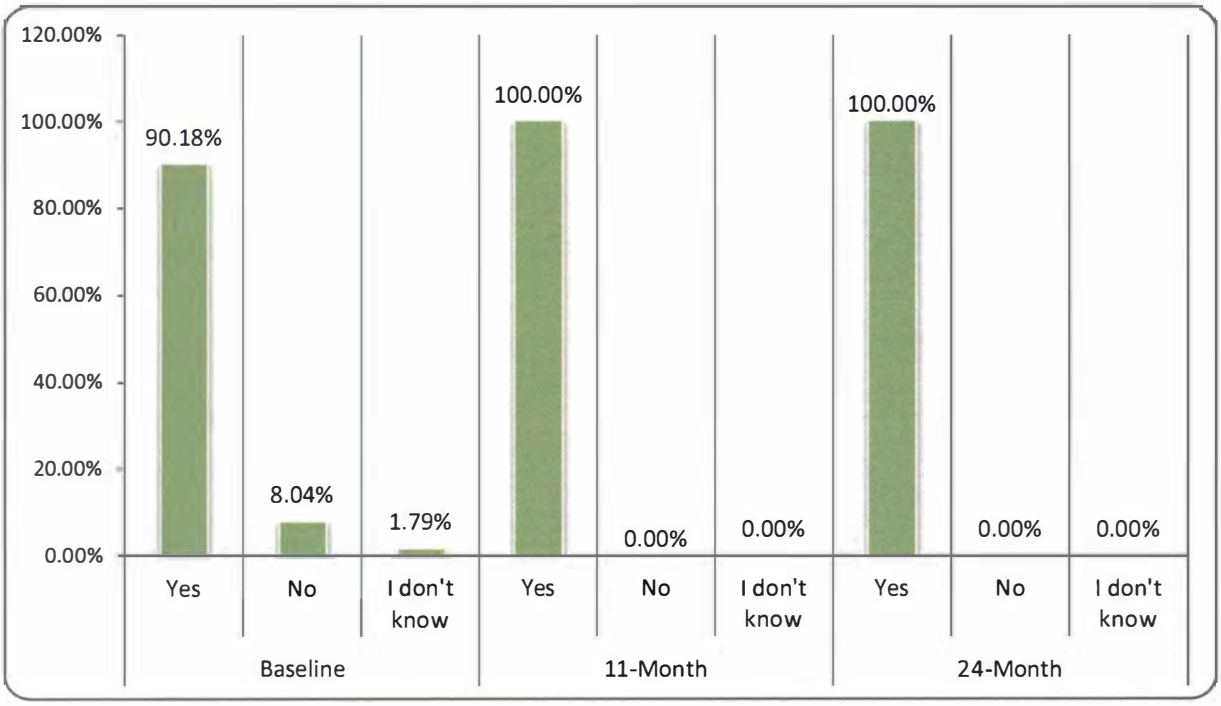
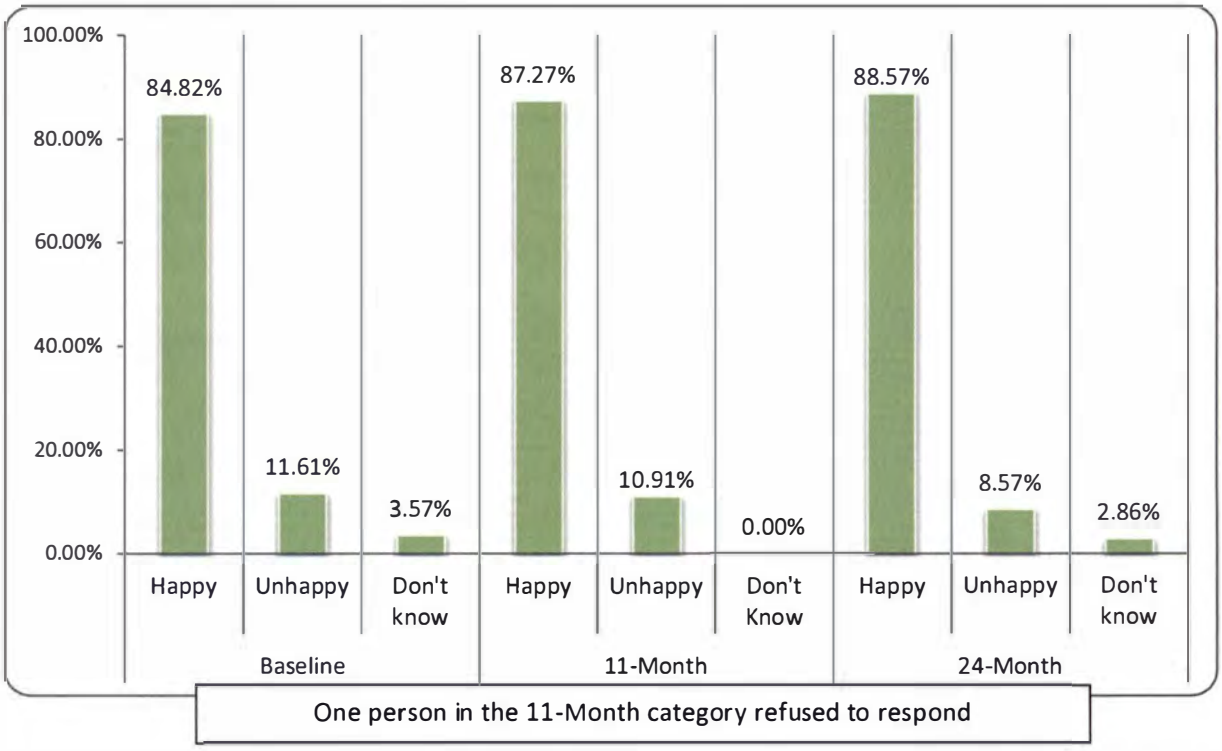


Figure 4: Taking everything into consideration, during the past week have you been happy or unhappy with the help you get with things around the house or getting around your community?

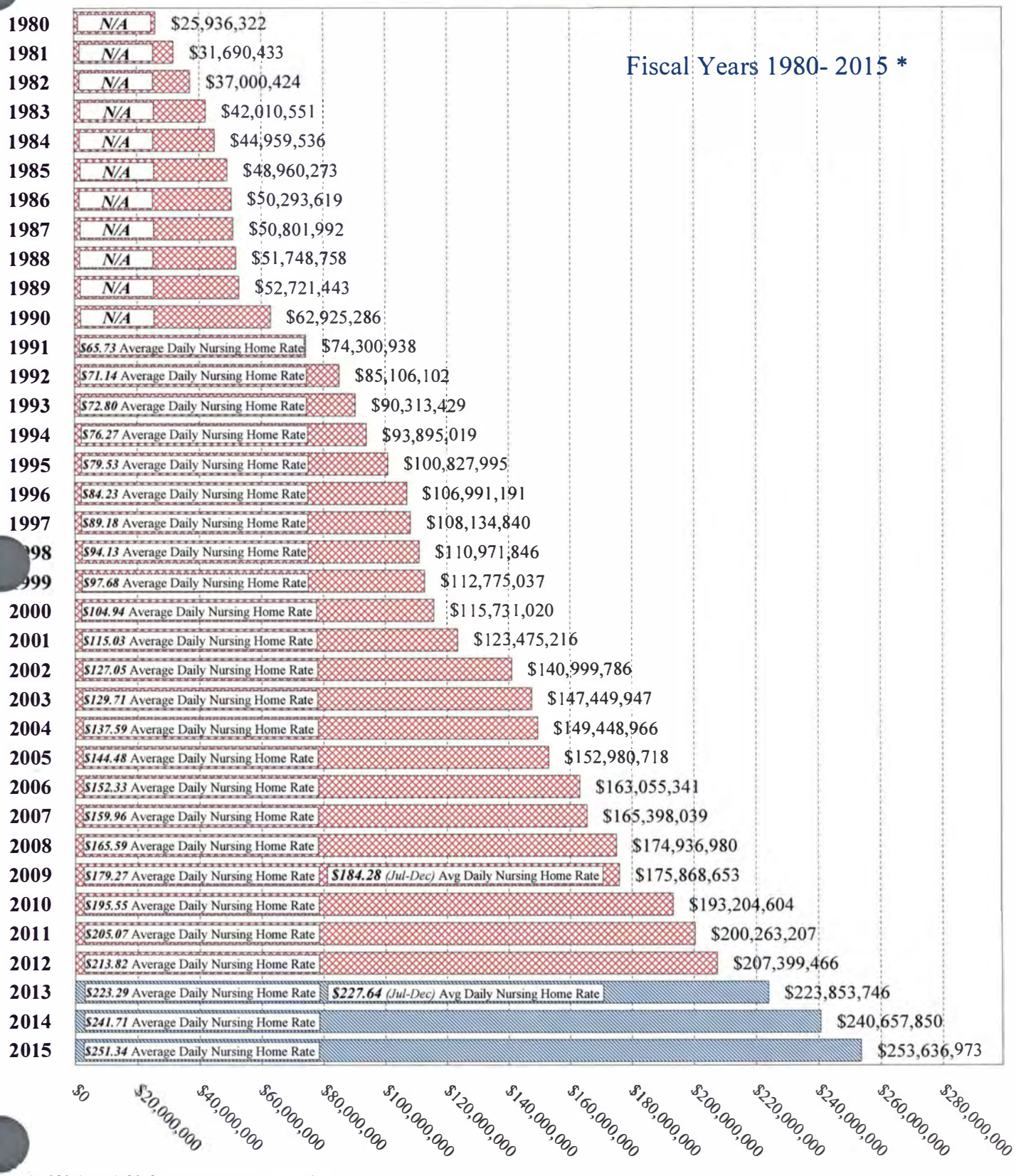


One person in the 11-Month category refused to respond

Prepared 12-12-2012

Attachment D

North Dakota Department of Human Services
Nursing Home Facilities
House Bill 1012 to Senate
2013 - 2015 Biennium



* 1980 through 2012 represents actual expenditures.
2013 represents five months actual and seven months estimated expenditures.
2014 and 2015 represents estimated expenditures included in the House adjustment.
The average daily nursing home rate is effective January 1 of each year as indicated.

FA-2/27/13-cj-1315legis\ltc S

North Dakota Department of Human Services
Changes in Long Term Care from 2011-2013 Appropriation to 2013-2015 Budget To Senate

Service Description	2011-2013 Appropriation	Funding Shift*	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	LTC Staff Rate Increase 50¢	Provide 7 Home Delivered Meals a Week SPED and Ex-SPED	Extended Personal Care Services for SPED	Net Cost of Personal Care with Supervision	Personal Needs Allowance Nursing Facilities $50 to $65	Personal Needs Allowance Basic Care $85 to $100	QSP Mileage Differential	Total Changes	2013-2015 Budget To House
Nursing Facilities	459,836,020		26,868,091	(14,084,129)		16,962,510	10,686,766				1,025,565			41,458,803	501,294,823
Basic Care	25,972,395		1,345,905	3,984,743		1,681,316	3,102,243					193,725		10,307,932	36,280,327
Home & Community Based Services	66,142,578	0	(3,099,244)	(1,604,107)	0	3,123,814	2,291,123	68,961	135,774	141,112	0	0	2,166,733	3,224,166	69,366,744
SPED ^^	13,782,988		(1,211,140)	(1,003,416)		703,846	984,582	47,410	135,774				1,093,117	750,173	14,533,161
Ex-SPED ^^^	942,224		(130,071)	257,332		66,114	47,808	21,551					121,987	384,721	1,326,945
Personal Care Services	29,149,905		(2,863,506)	(1,400,506)		1,515,251	769,143						697,471	(1,282,147)	27,867,758
Targeted Case Management	1,564,749		33,003	38,509		99,635								171,147	1,735,896
Home & Community Based Services Waiver	9,538,386		671,799	1,140,151		697,882	489,590			141,112			254,158	3,394,692	12,933,078
Children's Medically Fragile Waiver	318,780		(52,992)	(132,888)		8,388								(177,492)	141,288
Technology Dependent Waiver	500,136		(7,584)	(123,132)		25,020								(105,696)	394,440
PACE	9,370,980		476,074	465,327										941,401	10,312,381
Children's Hospice Waiver	974,430		(14,827)	(845,484)		7,678								(852,633)	121,797
Total	**551,950,993**	**0**	**25,114,752**	**(11,703,493)**	**0**	**21,767,640**	**16,080,132**	**68,961**	**135,774**	**141,112**	**1,025,565**	**193,725**	**2,166,733**	**54,990,901**	**606,941,894**
General Funds	**253,988,879**	**546,786 ***	**10,959,514**	**(4,655,921)**	**30,371,840**	**11,515,673**	**9,127,323**	**66,587**	**128,982**	**70,556**	**512,780**	**193,725**	**1,636,261**	**60,474,106**	**314,462,985**

Other Areas:

Community of Care Funds $120,000 for both the 11-13 and 13-15 Biennium's- 100% General Fund.

An additional $425,000 of IGT funds were added by the House to buy down loans on Assisted Living facilities that rent to low income individuals.

Personal Care Needs Allowance SSI $108,000 for the 11-13 Biennium. Plus an additional $70,875 to increase the allowance from $50 to $65 per month, for a total budget of $178,875 for 13-15 Biennium- 100% General Fund

^^ SPED is funded with 95% general funds and 5% county funds.

^^^ Expanded SPED is funded with 100% general funds.

* IGT Funds of $546,786 provided for the 24 month Bed Layaway program were replaced with General Funds in the Executive budget. The IGT funds were restored by the House adjustments.

Pg 2 (Cont.)

Attachment E

North Dakota Department of Human Services
nges in Long Term Care from 2011-2013 Appropriation to 2013-2015 Budget To Senate

lation	LTC Staff Rate Increase 50¢	Provide 7 Home Delivered Meals a Week SPED and Ex-SPED	Extended Personal Care Services for SPED	Net Cost of Personal Care with Supervision	Personal Needs Allowance Nursing Facilities $50 to $65	Personal Needs Allowance Basic Care $85 to $100	QSP Mileage Differential	Total Changes	2013-2015 Budget To House	Nursing Home Reduction	Remove Basic Care Personal Needs Allowance Increase	HCBS Reductions: Expanded SPED & HCBS Waiver	Restore IGT Funding Shift*	Total House Changes	2013-2015 Budget To Senate
2,510	10,686,766				1,025,565			41,458,803	501,294,823	(7,000,000)				(7,000,000)	494,294,823
1,316	3,102,243					193,725		10,307,932	36,280,327		(193,725)			(193,725)	36,086,602
3,814	2,291,129	68,961	135,774	141,112	0	0	2,166,733	3,224,166	69,366,744	0	0	(1,145,000)	0	(1,145,000)	68,221,744
3,846	984,582	47,410	135,774				1,093,117	750,173	14,533,161						14,533,161
6,114	47,808	21,551					121,987	384,721	1,326,945			(145,000)		(145,000)	1,181,945
5,251	769,143						697,471	(1,282,147)	27,867,758						27,867,758
9,635								171,147	1,735,896						1,735,896
7,882	489,590			141,112			254,158	3,394,692	12,933,078			(1,000,000)		(1,000,000)	11,933,078
8,388								(177,492)	141,288						141,288
5,020								(105,696)	394,440						394,440
								941,401	10,312,381						10,312,381
7,678								(852,633)	121,797						121,797
7,640	16,080,132	68,961	135,774	141,112	1,025,565	193,725	2,166,733	54,990,901	606,941,894	(7,000,000)	(193,725)	(1,145,000)	0	(8,338,725)	598,603,169
5,673	9,127,323	66,587	128,982	70,556	512,780	193,725	1,636,261	60,474,106	314,462,985	(3,500,000)	(193,725)	(645,000)	(546,786)	(4,885,511)	309,577,474

es that rent to low income individuals.

ase the allowance from $50 to $65 per month, for a total budget of $178,875 for 13-15 Biennium- 100% General Fund

ids in the Executive budget. The IGT funds were restored by the House adjustments.

Attachment F

Cost and Caseload Comparison

2011 - 2013 Appropriation, the Executive Budget and the Budget to Senate

Description	2011-2013 Budgeted Avg Monthly Cost per Case ^	2013-2015 Executive Budgeted Avg Monthly Cost per Case ^	2013-2015 House Budgeted Avg Monthly Cost per Case ^	2011-2013 Budgeted Avg Monthly Caseload *	2013-2015 Executive Budgeted Avg Monthly Caseload *	2013-2015 House Budgeted Avg Monthly Caseload *
Nursing Homes (Daily Rates)	187.73	211.09	211.07	102,058	98,952	97,577
Basic Care (Daily Rates)	66.29	80.81	80.38	16,326	18,706	18,706
Personal Care	1,810.10	1,777.51	1,777.51	671	653	653
Technology Dependent Waiver	10,419.32	10,885.58	10,885.58	2	2	2
Children's Medically Fragile Waiver	1,473.38	1,305.35	1,305.35	9	5	5
SPED	425.40	476.81	476.81	1,350	1,270	1,270
Expanded SPED	287.61	302.54	307.80	137	183	160
PACE	4,620.80	4,855.17	4,855.17	85	89	89
Targeted Case Management	133.74	144.88	144.88	488	499	499
HCBS Waiver	1,215.55	1,453.48	1,459.17	327	371	341
Children's Hospice Waiver	2,460.68	2,569.88	2,569.88	17	2	2

^ With the exception of Nursing Homes and Basic Care which are daily rates all other categories are average monthly cost per case.

* Nursing Homes and Basic Care caseload represents the number of "Days" paid in a month for recipients. All other categories represent the number of recipients paid for in a month.

Maggie Anderson
HB 1012
3-12-13
36

ND Department of Human Services
Rate Increase for Providers in 10¢ increments to $1.00
13-15 Biennium

$.10 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	2,137,353	1,064,808	1,072,545
Basic Care	620,449	440,397	180,052
QSP's	458,225	323,402	134,823
DD Providers	2,306,186	1,155,636	1,150,550
Total	5,522,213	2,984,243	2,537,970

$.20 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	4,274,706	2,129,616	2,145,090
Basic Care	1,240,897	880,793	360,104
QSP's	916,449	646,803	269,646
DD Providers	4,612,373	2,311,273	2,301,100
Total	11,044,426	5,968,486	5,075,940

$.30 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	6,412,060	3,194,424	3,217,636
Basic Care	1,861,346	1,315,888	545,458
QSP's	1,374,674	966,082	408,592
DD Providers	6,918,559	3,446,144	3,472,415
Total	16,566,638	8,922,537	7,644,101

$.40 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	8,549,413	4,259,232	4,290,181
Basic Care	2,481,794	1,754,517	727,277
QSP's	1,832,898	1,288,108	544,790
DD Providers	9,224,746	4,594,860	4,629,886
Total	22,088,851	11,896,717	10,192,134

Funded in the Executive Budget

$.50 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726
Basic Care	3,102,243	2,193,147	909,096
QSP's	2,291,123	1,610,136	680,987
DD Providers	11,530,932	5,743,574	5,787,358
Total	27,611,064	14,870,897	12,740,167

$.60 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	12,820,173	6,386,882	6,433,291
Basic Care	3,721,795	2,631,142	1,090,653
QSP's	2,749,348	1,932,164	817,184
DD Providers	13,837,113	6,892,286	6,944,827
Total	33,128,430	17,842,475	15,285,955

$.70 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	14,953,581	7,449,744	7,503,837
Basic Care	4,341,347	3,069,048	1,272,299
QSP's	3,207,573	2,254,191	953,382
DD Providers	16,143,294	8,040,990	8,102,304
Total	38,645,795	20,813,973	17,831,822

$.80 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	17,086,988	8,512,589	8,574,399
Basic Care	4,960,900	3,507,031	1,453,869
QSP's	3,665,797	2,576,217	1,089,580
DD Providers	18,449,476	9,189,702	9,259,774
Total	44,163,161	23,785,539	20,377,622

$.90 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	19,220,396	9,575,397	9,644,999
Basic Care	5,580,452	3,945,975	1,634,477
QSP's	4,124,022	2,898,245	1,225,777
DD Providers	20,755,657	10,338,392	10,417,265
Total	49,680,526	26,758,008	22,922,518

$1.00 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	21,353,803	10,638,238	10,715,565
Basic Care	6,200,004	4,384,064	1,815,940
QSP's	4,582,247	3,220,272	1,361,975
DD Providers	23,061,838	11,487,101	11,574,737
Total	55,197,892	29,729,675	25,468,217

Jerry Jurena
HB 1012
3-12-13

#37

Vision
The North Dakota Hospital Association will take an active leadership role in major Healthcare issues.

Mission
The North Dakota Hospital Association exists to advance the health status of persons served by the membership.

Testimony: HB 1012
Appropriations for the Department of Human Services
Senate Appropriations Committee
March 12, 2013

Chairman Holmberg and Members of the Senate Appropriations Committee; I am Jerry E. Jurena, President of the North Dakota Hospital Association (NDHA). I am before you today presenting testimony in support of HB 1012 and ask for a do pass on this bill.

I would like to speak specifically to the items below that are contained in the Governor's budget and were passed by the House.

- 4% inflationary increase to all Medicaid providers in both years of the biennium.
- Rebase Rural Health Clinics (RHCs) to Medicare rates.
- Continuation of cost reimbursement for Critical Access Hospitals (CAHs) for outpatient Lab and Certified Registered Nurse Anesthetists (CRNAs).

I believe the 4% inflator as recommended in the Governor's Budget and passed by the House for each year of the biennium is appropriate. Over the last year, inflation in the medical care price index has been 3.77% with an average over the last 10 years of 3.85% (Forecast-Chart.com). The 4% inflator will impact hospitals and physicians; based on an internal study completed in 2011, 80% of the physicians are employed by 80% of the hospitals.

I also support the recommendation to rebase Rural Health Clinics (RHCs) to Medicare rates to cover the cost of providing rural health clinic services to Medicaid beneficiaries. Currently, the average Medicaid reimbursement per encounter is $82 compared to the average cost per Medicare

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encounter of $132. The additional funding will help maintain access to primary care in rural North Dakota.

Also contained in HB 1012 is the continuation of cost based reimbursement to Critical Access Hospitals for outpatient laboratory tests and for services provided by Certified Registered Nurse Anesthetist. In 2007 Medicaid payments for Critical Access Hospitals were adjusted to allowable cost reimbursement for all services excluding Lab and CRNA services. These two service lines were reimbursed at the Medicare fee schedule, which were lower than cost reimbursement. In the 2011 Legislative Session, Lab and CRNA services for all Critical Access Hospitals were moved to allowable cost reimbursement with a sunset clause of June 2013. We are asking that you support the continuation of reimbursement at the allowable cost level for these two services lines for the next biennium, and request you consider removing the sunset clause.

In summary I would like to take this opportunity to share with you that many of our hospitals are struggling across the state due to the rapid growth of our population. There are numerous factors attributing to the struggles: there is an increase in trauma which is bringing on new demands to our hospitals, our cliental has changed we are not dealing with people who are part of our communities and have no relationship to where they work, and the cost to provide the additional services has increased dramatically. The location of the hospital is inconsequential; we are dealing with a very mobile group of people, they work in one area and live miles away. As a result our costs have gone up across the state to provide quality care.

Again, I ask for your support on HB 1012.

Respectfully,

Jerry E. Jurena, President
North Dakota Hospital Association

NDMA
Est.1887 NORTH DAKOTA MEDICAL ASSOCIATION

#38
Courtney Koebele
HB 1012
3-12-13

Senate Appropriations Committee

HB 1012

March 12, 2013

Chairman Holmberg and Committee Members, I'm Courtney Koebele and I serve as executive director of the North Dakota Medical Association. The North Dakota Medical Association is the professional membership organization for North Dakota physicians, residents and medical students.

The North Dakota Medical Association supports the 2013-2015 executive budget and the 4% inflationary increases.

Our physicians in North Dakota provide the safety net medical services for the most vulnerable of our population – a population of Medicaid patients who present unique, and often some of most difficult, challenges. Our Medicaid patients benefit from the services physicians are able to provide them – from a North Dakota health care system that is recognized nationally as a high-quality, efficient health care system.

However, we also have unique healthcare workforce recruitment and retention challenges occurring in our state that are driven by our demographics, payor reimbursement policies and other practice issues. Our capital needs continue to

grow, with aging facilities, technology and equipment – and our costs for medical equipment, new technology and supplies continue to increase. The rebase accomplished in 2009 and the 4% increase reflected in the 2013-15 executive budget provide substantial assistance toward helping to address some of these issues.

Physicians in North Dakota continue to do their part in providing good access to quality medical care for Medicaid beneficiaries and showing their ongoing commitment to the long-term sustainability of the Medicaid program. We look forward to working with the Committee in addressing the future needs for Medicaid medical services. Thank you.

Josh Askvig 39
HB 1012
3-12-13

HB1012- SUPPORT Long Term Care HCBS Services
Tuesday, March 12, 2013
Senate Appropriations Committee
Josh Askvig- AARP-ND
jaskvig@aarp.org or 701-989-0129

Chairman Holmberg, members of the Senate Appropriations Committee, I am Josh Askvig, Associate State Director of Advocacy for AARP North Dakota. Thank you for this opportunity to add our support to some key long-term care budget provisions included in HB1012.

AARP is a nonprofit, nonpartisan membership organization with nearly 88,000 members in North Dakota and 37 million nationwide. We understand the priorities and dreams of people 50+ and are committed to helping them live life to the fullest, including here in North Dakota.

I am here to speak in support of the appropriations in HB1012 for:

1. The Governor's proposed increases in funding for Home and Community Based Services enhancements- including SPED, home delivered meals 7 days a week to SPED and ExSPED clients, extended personal care services and QSP service enhancements
2. Wage increases and mileage reimbursements for Qualified Service Providers

As I mentioned previously, in a survey of North Dakotans 50 and older that AARP released in 2011, more than half of those surveyed said they were worried about staying in their own homes as they aged. Almost half believed it would be hard to find appropriate long-term care services when they are needed and that they could afford.

Staying in their own homes as they age has always been very important to North Dakotans 50-plus. That's why funding for home- and community-based services is so critical. That includes congregate and home-delivered meal programs, which not only provide older North Dakotans with the nutrition they need to stay healthy, but also social interaction with others. Expanding this service to 7 days a week for SPED and ExSPED makes sense and could save the state some resources in the long run. **We ask that you restore the cuts the House made back to the Governor's proposed funding levels for the HCBS Medicaid Waiver, the SPED and ExSPED programs, and the Medical Services Caseload budget.**

Not only do HCBS services make sense for individuals they are cost effective. According to AARP's Research Publication, *Across the States- Profiles of Long-term Services and Supports,* "Per person, nursing facility services are almost three times as costly as HCBS for older people and adults with disabilities. In 2008, Medicaid spending for HCBS—waiver and state plan personal care services (PCS)—for each older person and adult with physical disabilities receiving services averaged $10,957, compared with $29,533 for each person receiving services in a nursing facility. Home health care, which is often used for short-term post-acute care, averaged $5,495 per person served." I included a chart from page 16 of the 2012 report that shows the national data breakdown. I also included the In-brief version of the 100+ page report.

Making enhancements that allow people to stay at home is part of the equation. You also need a quality workforce to deliver those services. Qualified services providers (QSPs) are also a critical link in the delivery of home- and community-based services.

In North Dakota, there are an estimated 109,000 people who provide care to a friend of family member. The value of that care is estimated at $830 million. The care they provide helps loved ones remain in their homes and communities.

However, not everyone has a friend or family member to help them live independently and that's where the services provided by direct care workers become critical. These providers are small businesses and workers in your communities who contribute directly to the community's financial base, and they deserve to be paid fairly for the services they provide. That includes the time and expense they incur traveling from one client to another, especially in rural areas. The differential called for in the budget could be very helpful in attracting QSPs for our small towns. **We support this enhancement.**

Thank you for the opportunity to present our views on funding needs that allow North Dakotans to live with dignity in the setting of their choice and avoid more costly institutional care.

AARP®

Josh Askvig
HB 1012
3-12-13

#40

ACROSS THE STATES

PROFILES OF LONG-TERM SERVICES AND SUPPORTS

NORTH DAKOTA

by Ari Houser
Wendy Fox-Grage
Kathleen Ujvari

NINTH EDITION 2012

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INTRODUCTION

Across the States 2012: Profiles of Long-Term Services and Supports is the ninth edition of the AARP Public Policy Institute's state long-term services and supports reference report.

This short report provides key long-term services and supports information for a single state. Complete data for all states are contained in the full report and executive summary.

Published for the past 18 years, the *Across the States* series was developed to help inform policy discussions among public and private sector leaders in long-term services and supports throughout the United States. *Across the States 2012* presents comparable state-level and national data for more than 140 indicators, drawn together from a wide variety of sources into a single reference. This publication presents up-to-date data and is displayed in easy-to-use maps, graphics, tables, and state profiles.

Across the States 2012 comes in two volumes:

- A full report with an overview of key findings and trends, maps and graphs, and individual profiles for each state, the District of Columbia, and the nation as a whole. The full report provides a comprehensive picture of long-term services and supports in each state.
- An executive summary with an overview of key findings and trends, and ranking tables for each indicator, such as percentage of Medicaid long-term services and supports spending for older people and adults with physical disabilities going to home and community-based services. This permits readers to easily see variations among states.

Some of the indicators in *Across the States 2012* may be found in prior editions. Please exercise caution when making comparisons with information in earlier editions due to changes in the source or definition. Complete descriptions of all indicators, and how they may differ from previous editions, can be found in the Data Documentation section in the back of the full report. Data sources and descriptions of indicators are only found in the full report, not in the executive summary.

Additional indicators on health care spending, health status, and health care utilization for the age 50+ population can be found in another AARP Public Policy Institute report, *Quick Health Facts 2010: Selected State Data on Older Americans.*

Copies of *Across the States 2012* are available free of charge. To order, please call the AARP Public Policy Institute at (202) 434-3890 or email jgasaway@aarp.org.

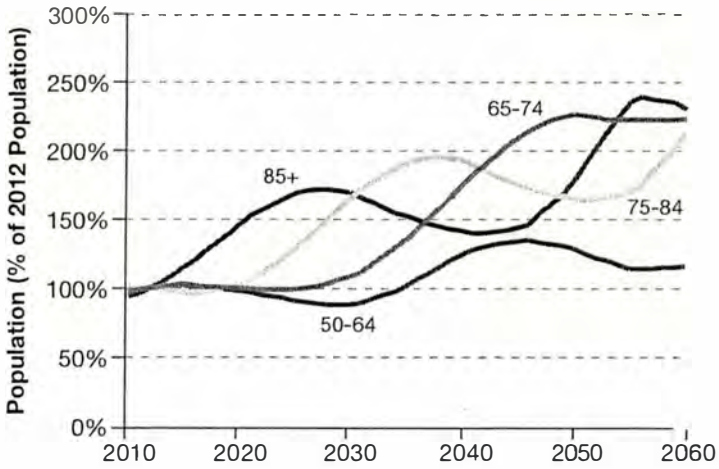
The full report and executive summary are also available on the web. The most recent edition of *Across the States* can be found at http://www.aarp.org/acrossthestates.

NORTH DAKOTA

Population & Projections	Year	State Pop. (1,000s)	% of Total Population	Rank	U.S.	% Change from 2012	Rank	U.S.
All ages	2012	673		48	315,311			
	2032	851		48	376,660	+27%	11	+19%
	2050	947		48	434,447	+41%	17	+38%
Age 50-64	2012	130	19.3%	31	19.2%			
	2032	120	14.1%	50	16.4%	-8%	39	+2%
	2050	167	17.7%	16	16.6%	+29%	9	+19%
Age 65+	2012	98	14.6%	17	13.6%			
	2032	156	18.3%	44	19.8%	+59%	41	+74%
	2050	179	18.9%	47	20.4%	+83%	34	+107%
Age 65-74	2012	48	7.1%	39	7.4%			
	2032	78	9.1%	44	10.1%	+63%	20	+64%
	2050	85	9.0%	33	9.1%	+78%	13	+69%
Age 75-84	2012	32	4.7%	7	4.2%			
	2032	56	6.6%	37	6.8%	+77%	43	+94%
	2050	53	5.6%	48	6.6%	+66%	49	+116%
Age 85+	2012	18	2.7%	3	2.0%			
	2032	21	2.5%	43	2.9%	+17%	51	+69%
	2050	42	4.4%	41	4.8%	+127%	51	+224%

Older People of Color (%), 2010		
State	Rank	U.S.
3.2%	47	20.1%
Asian/Pacific Islander		
State	Rank	U.S.
0.0%	50	3.6%
Black		
State	Rank	U.S.
0.0%	50	8.5%
Hispanic		
State	Rank	U.S.
0.7%	73	6.9%

Projected Growth in the Older Population in North Dakota as a Percentage of 2012 Population, by Age Group



Note: the highest data value within each ranking is indicated by a rank of 1. For indicators in which both a total number and a ratio are given for the state value (percent of population, per person in the state, etc), the rank and U.S. values correspond to the ratio column.

Population & Characteristics

Living Arrangements	State	Rank	U.S.
Men per 100 women age 85+, 2010	49	15	48
People age 75+ living alone, 2010	37%	9	34%
People age 60+ with grandchildren in household, 2010	1.4%	51	5.5%
People age 60+ responsible for raising grandchildren, 2010	0.6%	49	1.6%
Percent of age 65+ households with someone under 18, 2010	2.8%	49	7.0%

Income & Poverty	State	Rank	U.S.
Median household income age 65+, 2010	$30,669	43	$34,381
At/below poverty level age 65+, 2010	12.1%	2	9.0%
At/below 250% of poverty level age 65+, 2010	45%	12	42%
Women age 75+ at/below poverty level, 2010	20.6%	1	12.2%
Women age 75+ at/below 250% of poverty level, 2010	64%	1	54%
Bachelor level education or higher age 65+, 2010	15%	46	21%

Disability Rates	Number (1,000s)	Percent	Rank	U.S.
People age 65+ with disabilities, 2010				
Self-care difficulty	5	4.9%	50	8.8%
Cognitive difficulty	6	6.5%	50	9.5%
Any disability	32	35%	31	37%
People age 18-64 with disabilities, 2010				
Self-care difficulty	5	1.1%	50	1.8%
Cognitive difficulty	12	2.8%	51	4.2%
Any disability	32	7.6%	49	10.0%

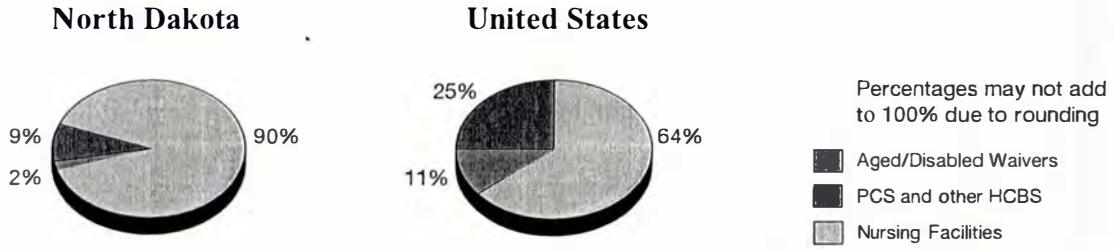
Family Caregivers	State	Per 1,000 Population	Rank	U.S.
Family caregivers, 2009	75,000	115	47	137
Economic value of family caregiving, 2009 (state in millions of $)	$830	$1,290	43	$1,460
Economic value per hour, 2009	$11.68		18	$11.16
Ratio of the economic value of family caregiving to Medicaid long-term care spending, 2009	2.3		47	3.8

Long-Term Care Insurance	State	Per 1,000 Age 40+	Rank	U.S.
Private long-term care insurance policies in effect, 2010	32,337	103	5	45

Public LTSS Expenditures

Medicaid Expenditures	State	Rank	U.S.
Total Medicaid expenditures (millions), 2009	$590	50	$368,330
Federal Medicaid Assistance Percentage (FMAP), 2009	63.01%	24	
Medicaid home and community-based services (HCBS) as a % of long-term services and supports (LTSS) spending, for older people and adults with physical disabilities, 2009 *	10%	51	36%
Medicaid HCBS spending as a % of LTSS spending, for all populations, 2009 *	29%	49	44%

Medicaid Long-Term Services and Supports Spending for Older People and Adults with Physical Disabilities in North Dakota and the U.S., 2009



LTSS & Home Health Expenditures	Total (millions)	Per Person in the State	Rank	U.S.
Medicaid LTSS expenditures for older people and adults with physical disabilities, 2009	$192	$289	15	$261
Nursing facilities	$172	$259	7	$168
HCBS	$20	$29	49	$94
Aged/disabled waiver services	$3	$5	46	$29
Personal care services (PCS) **	$14	$21	21	$45
Home health services	$1	$2	42	$16
Other HCBS ***	$1	$1	15	$4
Medicaid LTSS expenditures for all populations, 2009	$370	$557	8	$413
Institutional services	$263	$396	4	$232
HCBS	$107	$161	24	$181
Waiver services (all populations)	$91	$137	20	$114
Other HCBS (including PCS and home health)	$16	$24	28	$68
State-funded HCBS expenditures for older people and adults with physical disabilities, 2009	$1	$1.20	36	$4.83

Note: the highest data value within each ranking is indicated by a rank of 1. For indicators in which both a total number and a ratio are given for the state value (percent of population, per person in the state, etc), the rank and U.S. values correspond to the ratio column.

* HCBS and LTSS include home health services for these indicators. This treatment is consistent with most earlier editions of Across the States, but differs from Across the States 2009, in which home health was categorized separately from LTSS.

** 15 states did not report any PCS spending in 2009; the lowest possible rank is 36. In 2008, 19 states did not report any PCS participants; the lowest possible rank is 32.

*** "Other HCBS" includes PACE, self-directed services authorized under Section 1915(j), and several other programs. Only 26 states have spending categorized as this type; the lowest rank for this indicator is 22.

Medicaid HCBS Participants By Type of Service	State	Per 1,000 Population	Rank	U.S.
Nursing facilities (NF), 2008	5,505	8.4	5	5.3
HCBS (older people and adults with PD), 2008	3,079	4.7	35	8.2
Aged/disabled waiver services	361	0.5	47	2.2
Personal care services (PCS) **	1,853	2.8	16	3.0
Home health services	865	1.3	32	3.0
Institutional services (NF and ICF-MR), 2008	6,160	9.4	4	5.6
HCBS (all populations), 2008	6,614	10.1	22	10.1
Waiver services (all populations)	3,896	5.9	14	4.1
Other HCBS (including PCS and home health)	2,718	4.1	26	6.0
Adults with disabilities self-directing services, 2011	432	0.66	32	2.43

Medicaid Participant LTSS Balance	State	Rank	U.S.
Medicaid aged/disabled waiver participants per 100 beneficiaries in nursing facilities, 2008	7	49	42
Medicaid HCBS beneficiaries as a % of LTSS users, for older people and adults with PD, 2008 *	36%	44	61%
Medicaid HCBS beneficiaries as a % of LTSS users, for all populations, 2008 *	52%	34	64%

Medicaid Expenditures Per Person Served	State	Rank	U.S.
Nursing facility services, 2008	$30,907	19	$29,533
HCBS expenditures for older people and adults with physical disabilities per person served, 2008 (excluding home health)	$1,067	49	$10,957
Aged/disabled waiver services	$6,543	40	$10,710
Personal care services **	$6,675	20	$11,142
Home health services	$6,648	8	$5,495
ICF-MR services, 2008	$107,602	27	$123,053
MR/DD waiver services, 2008	$21,949	46	$42,896

LTSS Costs

Public & Private Payment Rates	State	Rank	U.S.
Medicaid payment per day for nursing facility care, 2011	$206	11	$178
Medicare payment per day for nursing facility care, 2010	$383	32	$398
Medicare reimbursement per home health visit, 2010	$140	42	$154
Private pay rate per day in nursing facility, 2011	$188	29	$193
Private pay rate per month in assisted living, 2011	$2,500	49	$3,261
Private pay daily rate for adult day care, 2011	$67	18	$60
Private pay hourly rate for home health aide, 2011	$23	6	$19

LTSS Resources

HCBS Resources	State	Per 1,000 Age 65+	Rank	U.S.
Assisted living and residential care facilities, 2010	181	1.85	13	1.46
Assisted living and residential care units, 2010	3,562	36	11	31
Personal and home care aides, 2010	NA	NA	NA	17
Median hourly wage, 2010	$10.08		18	$9.44
Home health aides, 2010	1,950	20	24	24
Median hourly wage, 2010	$11.05		10	$9.89
People receiving ACL congregate meals, 2009 *	13,910	144	5	42
People receiving ACL home delivered meals, 2009 *	5,364	56	4	22
Total ACL congregate and home delivered meal expenditures (total in millions of $), 2009 *	$9	$89	3	$36
Number of health maintenance tasks able to be delegated to LTSS workers (out of 16 tasks), 2011	13		13	

Nursing Facility Resources & Utilization	State	Per 1,000 Age 65+	Rank	U.S.
Total nursing facilities, 2010	88	0.90	5	0.40
Nursing facility beds, 2010	6,536	67	2	42
Nursing facility residents, 2010	5,722	58	1	35
Nursing facility occupancy rate, 2010	88%		16	83%
Direct care nursing hours per resident day, 2010	4.1		9	3.8
RN hours per day, 2010	0.72		22	0.64
Nursing facility staffing turnover, 2010	29%		42	40%

Nursing Facility Resident Characteristics	State	Rank	U.S.
Residents with dementia, 2010	54%	6	46%
Nursing facility residents with low care needs, 2008	19%	20	17%
Residents with Medicaid as primary payer, 2010	53%	49	63%
Residents with Medicare as primary payer, 2010	7%	51	14%
Residents with "other" as primary payer, 2010	39%	2	22%

Quality & Oversight of Nursing Facilities	State	Rank	U.S.
Residents with physical restraints, 2008	2%	35	4%
High risk residents with pressure sores, 2008	7%	47	12%
Long-stay residents with a hospital admission, 2008	13%	39	21%
Long-term care facility beds per FTE ombudsman, 2010	3,555	14	2,543
Nursing facilities visited by ombudsman at least quarterly, 2010	82%	27	76%

Note: the highest data value within each ranking is indicated by a rank of 1. For indicators in which both a total number and a ratio are given for the state value (percent of population, per person in the state, etc), the rank and U.S. values correspond to the ratio column.

* These programs were originally administered under AoA. For more information on the Administration for Community Living (ACL), please see http://www.hhs.gov/acl.

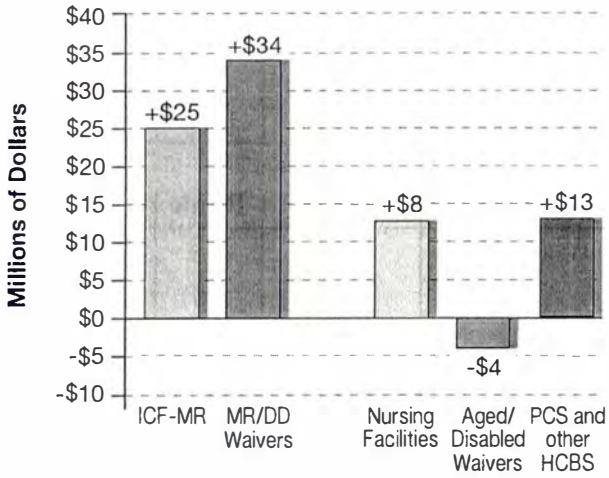
TRENDS

Medicaid HCBS Utilization	Year	State	Rank	U.S.
Medicaid HCBS participants, older people and adults with physical disabilities (excluding home health)	2003	986		1,270,155
	2008	2,214		1,577,471
	% change	+125%	4	+24%

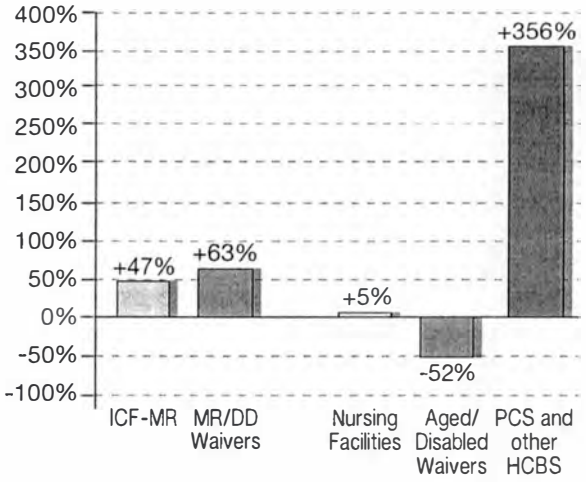
Nursing Facility Residents	Year	State	Rank	U.S.
Nursing facility residents	2005	5,944		1,460,185
	2010	5,722		1,408,886
	% change	-4%	27	-4%

Long-Term Care Financing	Year	State	Rank	U.S.
Total Medicaid spending (millions)	2004	$490		$285,710
	2009	$590		$368,330
	% change	+20%	42	+29%
Medicaid LTSS spending for older people and adults with physical disabilities (millions)	2004	$175		$62,811
	2009	$192		$80,181
	% change	+10%	41	+28%
Medicaid nursing facility spending (millions)	2004	$164		$45,842
	2009	$172		$51,403
	% change	+5%	36	+12%
Medicaid HCBS spending for older people and adults with physical disabilities (millions)	2004	$11		$16,969
	2009	$20		$28,778
	% change	+84%	17	+70%
Medicaid HCBS as a % of LTSS spending, for older people and adults with physical disabilities	2004	6%	49	27%
	2009	10%	51	36%
	change	+4%	37	+9%

Change in Medicaid LTSS Spending, 2004–2009, by Service



Percent Change in Medicaid LTSS Spending, 2004–2009, by Service



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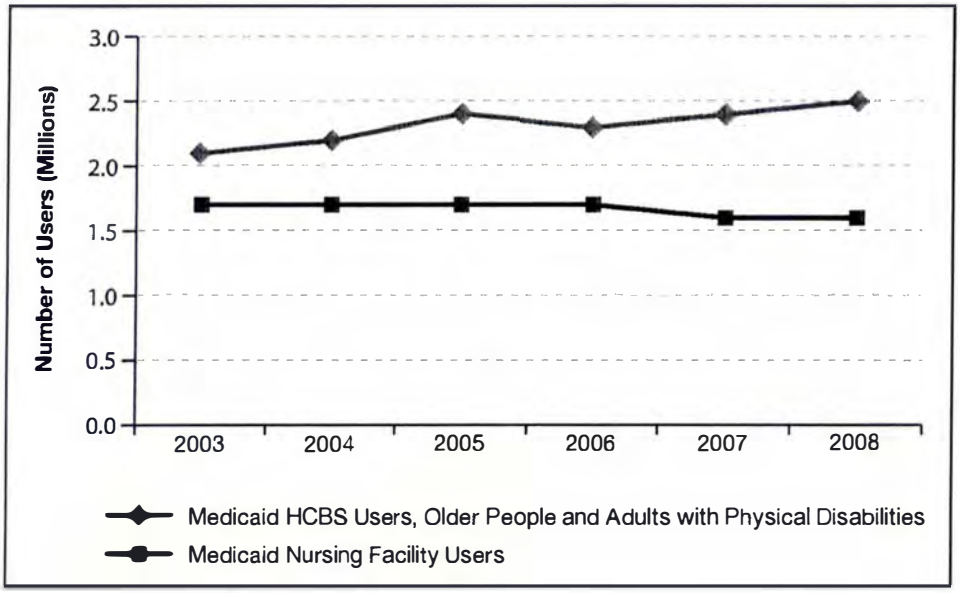
6: The number of older people and adults with physical disabilities receiving Medicaid-funded home and community-based services has increased, while the number of nursing facility residents has remained constant.



Most people with LTSS needs do not live in institutions such as nursing facilities. Most live in their own home, and receive LTSS at home or in their community. There are a wide variety of home and community-based services and supports that can enable people to live as independently as possible. These include personal care, where an aide can help with daily activities; assisted living, which is licensed, supportive group housing usually including meals and assistance with daily activities for people who would otherwise not be able to live in their own homes; adult day services provided in a senior center or other group setting, and many others.

The number of older people and adults with physical disabilities receiving HCBS is increasing at a greater rate than the number of people living in nursing facilities. The number of older people and adults with physical disabilities receiving Medicaid HCBS (including those receiving home health services) increased 18 percent from 2003 to 2008, to a total of 2.5 million Medicaid beneficiaries receiving these services. [4]

From 2003 to 2008, the number of people using Medicaid nursing services actually declined 4 percent, from about 1.7 million to 1.6 million. During the same five-year period, the number of nursing facility residents (all payment sources) also declined slightly from 1.5 million to 1.4 million. [5]

[4] The total of 2.5 million is not an unduplicated count. There is significant duplication between services, so the true number may be substantially lower, between 1.6 million and 2.5 million.

[5] Most nursing facility stays begin or end during the year, so the number of people who spend time in a nursing facility during the year is approximately twice as high as the number of residents on a typical day.

Darrold Bertsch 41
HB 1012

Testimony House Bill 1012 3-12-13
Senate Appropriations Committee
Tuesday, March 12, 2013

Good morning Chairman Holmberg and members of the Senate Appropriations Committee. My name is Darrold Bertsch, and I am the CEO of Sakakawea Medical Center in Hazen, North Dakota and the Interim CEO of Coal Country Community Health Center in Beulah. I am here to present testimony in support of House Bill 1012, and specifically the provisions in the Governor's budget relating to Medicaid reimbursement to North Dakota providers.

Sakakawea Medical Center is a 25 bed Critical Access Hospital that also owns and operates a variety of services including Basic Care Services, Home Health, Hospice Services and a Rural Health Clinic. Coal Country Community Health Center is designated as a Federally Qualified Health Center. Both entities provide primary care services to the visitors and residents of Mercer, Dunn and Oliver counties.

I am pleased to support the provisions contained within HB 1012, specifically the 4% inflator in each year of the biennium for Medicaid reimbursement for Hospitals, Physicians, Basic Care and Long Term Care. I also support the continuation of cost based reimbursement for Laboratory and CRNA services provided by Critical Access Hospitals (CAHs) and additionally the rebasing the Medicaid payments made to Rural Health Clinics (RHCs).

4% Annual Inflator: This increase is needed to help facilities with the increased costs being experienced for equipment, supplies and our most valuable resource, the staff who support and provide services in our healthcare entities. You are all well aware of the challenges many employers and industries are having in retaining and recruiting the staff necessary to provide needed services. The healthcare industry is no different, and may have even greater challenges. Additionally, the 4% annual inflationary increase for physicians will assist both PPS Acute Hospitals and Critical Access Hospitals, who employ approximately 80% of the state's physicians to receive adequate reimbursement so that we can recruit and retain the professional staff needed to provide patient care.

Lab and CRNA (Certified Registered Nurse Anesthetist) Reimbursement for CAHs: We support the continuation of cost based Medicaid reimbursement to CAHs for laboratory and CRNA services approved during the last Legislative Session. The continuation of this reimbursement and removal of the sunset clause for this reimbursement would help cover the cost of providing these services to the Medicaid eligible patients we serve. Though Medicaid reimbursement to CAHs for these services has not yet been paid to the CAHs since approved during the last session, we are confident that when these Medicaid payments and costs are

reconciled in the future with the individual facility Medicare Cost reports, they will be more appropriate than the alternative fee schedule. That being said, if approved during this session, we hope that Medicaid payments for these services can be made concurrently as services are provided and not be structured for reconciliation at a future point in time as they are right now.

Rebasing of Rural Health Clinic (RHC) Medicaid Reimbursement: Rural Health Clinics are an important safety net provider of primary care services in the rural areas of North Dakota. There are 59 RHCs in North Dakota, 45 of which are owned and operated by Critical Access Hospitals across the state. The current Medicaid reimbursement for services provided in the RHCs to Medicaid eligible individuals fails to cover the cost of providing these services. These rates have not been rebased for many years and are in need of adjustment, minimally to the cost of providing services. In an analysis recently completed, the average Medicaid reimbursement for an RHC clinic visit was $81.30. This compares to an average cost per RHC clinic visit of $134.50 as calculated from all North Dakota RHC Medicare Cost Reports. We certainly feel that rebasing Medicaid RHC reimbursement to the cost of providing services is important and needs to happen.

Facilities are working diligently to maintain services while facing many challenges. A concerted effort is being made to reduce costs where possible, yet have services available in our communities when needed. The Medicaid reimbursement proposed in HB 1012 would assist providers in doing so. In conclusion, I would ask for your support of the 4% annual inflator, cost based reimbursement for CAH Lab and CRNA services, and for rebasing of Rural Health Clinic (RHC) Medicaid reimbursement. Thank you for the opportunity to provide this testimony. I would be happy to answer any questions you may have.

Darrold Bertsch, CEO
Sakakawea Medical Center
Hazen, North Dakota 58545
Coal Country Community Health Center, Interim CEO
Beulah, North Dakota
Email address: dbertsch@sakmedcenter.org,
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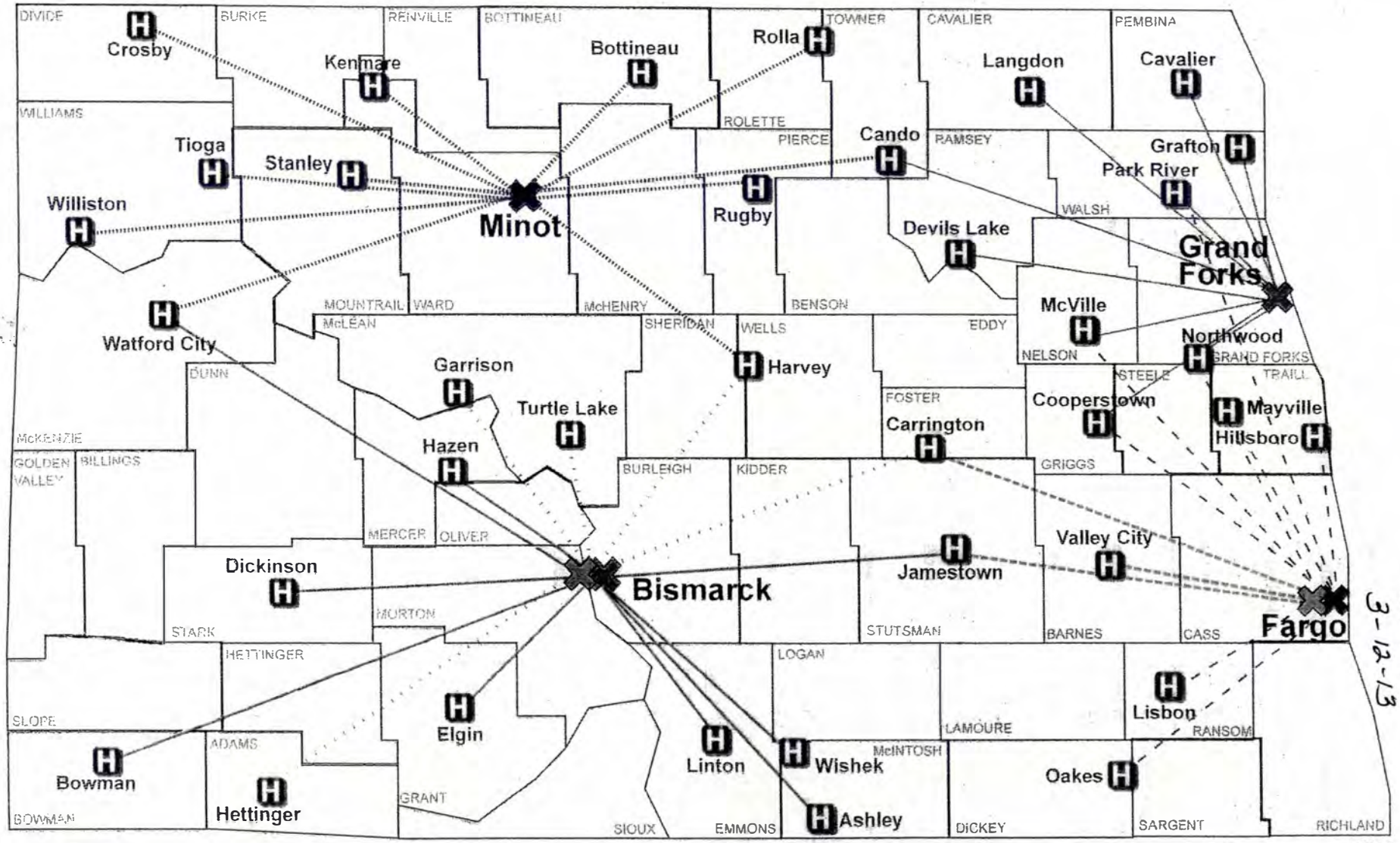
North Dakota Critical Access Hospitals & Referral Centers



Center *for* Rural Health
The University of North Dakota
School of Medicine & Health Sciences

Referral Centers

Trinity Hospital ..... Altru Hospital _____

St. Alexius Medical Center . . . . . Sanford Health - - - - - - - -

Sanford Bismarck Medical Center & St. Alexius _____ Sanford & Essentia Health - - - - - -

Critical Access Hospitals H

Darrold Bertsch
HB 1012
3-12-13

42

North Dakota Critical Access Hospitals
Services That Are Owned/Operated
Calendar 2012

10/07/2012

Oper. Margin 7 8 9	10	11	12	Community	CAH Hospital	Nursing Home Beds	Basic Care	Assisted Living	Apartments	Clinic	Ambulance	Home Care
				Ashley	20 Beds	44 Beds			34 Units	RHC - 2		Yes, Term
				Bottineau	25 Beds				14 Units	Jointly Own		
				Bowman	23 Beds	59 Beds <		12 Units	14 Units	RHC	Yes	
				Cando	20 Beds	37 Beds <	7 Beds		10 Units	RHC - 1 of 2		
				Carrington	25 Beds		24 Beds			RHC - 2	Yes	
				Cavalier	25 Beds	50 Beds			20 Units	RHC		
				Crosby	25 Beds					RHC - 3		
				Cooperstown	18 Beds	48 Beds		12 Units		RHC		
				Devils Lake	25 Beds							
				Dickinson	25 Beds					RHC 2 of 5		
				Elgin	21 Beds	25 Beds				RHC - 2		
				Garrison	22 Beds	28 Beds				RHC		
				Grafton	14 Beds <					RHC		
				Harvey	25 Beds	95 Beds <			16 Units			
				Hazen	25 Beds		30 Beds			RHC		Yes
				Hettinger	25 Beds					RHC - 5 of 7	Yes	
				Hillsboro	16 Beds	48 Beds >		16 Units			Yes	
				Jamestown	25 Beds					Yes		Yes
				Kenmare	25 Beds					RHC		
				Langdon	25 Beds					RHC - 1 of 2	Yes	
				Linton	14 Beds			11 Units		RHC - 2 of 3	Yes	
				Lisbon	25 Beds							
				Mayville	25 Beds					Yes		
				McVille	19 Beds	39 Beds		12 Units		RHC - 2		
				Northwood	12 Beds	56 Beds <	5 Beds	6 Units	10 Units		Yes	
				Oakes	20 Beds					Yes- 2		
				Park River	14 Beds					RHC		
				Rolla	25 Beds					RHC		
				Rugby	25 Beds	80 Beds	68 Beds	37 Units		RHC 3 of 4	Yes	
				Stanley	11 Beds					RHC		
				Tioga	25 Beds	30 Beds			22 Units	RHC - 3		
				Turtle Lake	25 Beds					RHC		
				Valley City	25 Beds							
				Watford City	24 Beds	47 Beds	9 Beds	16 Units	8 Units	RHC		
				Williston	25 Beds					Yes 2		
				Wishek	24 Beds					RHC - 4	Yes	Yes
6 6 10	13	18	11	**Facilities**	36	14	6	8	9	30	9	4
27 27 34	36	36	36	**Total**	792	697	143	122	148	60 45 RHCs		

Department of Human Services
Other Bills with an Appropriation
2013-2015 Biennium

Bill Number	Description of Bill	Appropriation		
		General	Other	Total
1358	Provides an appropriation to DHS for the purpose of administering a grant program for critical access hospitals in oil-producing counties and in counties contiguous to an oil-producing county to address the effects of oil and gas and related economic development activities.	-	10,000,000	10,000,000
1422	Provides an appropriation to DHS for a child care stabilization initiative.	2,100,000	-	2,100,000
2193	Provides an appropriation to DHS for the purpose of hiring a state autism coordinator to implement a resource and service center to provide information and services for individuals with autism spectrum disorder, for developing a statewide outreach plan, for conducting regional meetings and an annual conference, and for developing a protocol for use after screenings ($400,000). And provides an appropriation to DHS for implementing a statewide autism spectrum disorder training effort, including physician training, regional training, school staff training, and parent training ($500,000).	900,000	-	900,000
2205	Provides an appropriation to DHS for the purpose of providing a grant to an organization for administering statewide 2-1-1 services.	233,979	-	233,979
2241	Provides an appropriation to DHS for the purpose of providing competitive grants for substance abuse prevention.	600,000	-	600,000
2244	Provides an appropriation to DHS for the purpose of contracting for early childhood services specialists to provide technical assistance to early childhood services providers ($300,000). And provides an appropriation to DHS for the purpose of providing grants to licensed early childhood services providers that provide care for children with disabilities or developmental delays ($200,000).	500,000	-	500,000
2356	Provides an appropriation to DHS for the purpose of providing grants to children's advocacy centers.	300,000	-	300,000
	Totals	**4,633,979**	**10,000,000**	**14,633,979**

HB 1358 also provides an appropriation of $6,000,000 to the Department of Commerce for the purpose of administering a grant program for nursing homes, basic care facilities, and providers that serve individuals with developmental disabilities located in oil-producing counties to address the effects of oil and gas and related economic development activities. The funding is to be allocated in January of each year of the biennium, based on the number of full-time equivalent positions at each qualifying facility or provider as determined by the Department of Human Services. The annual allocation for each full-time equivalent position may not exceed $90 per month.

Debra McBurnett.

HB 1012

3-13-13 8:30AM

#4/3

HB 1012 #2/4

3-13-13 AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Tina Bay, Director of the Developmental Disabilities Division of the Department of Human Services. I am here today to provide you an overview of the Developmental Disabilities Division, for the Department of Human Services (Department). I will provide a separate overview of the Long Term Care Developmental Disabilities Grants under separate testimony.

Programs

The Developmental Disabilities Division (Division) is made up of 10 FTEs who are responsible for staff training, policy development, quality assurance, compliance with federal oversight agency rules, and the implementation and ongoing monitoring functions relating to the Medicaid Home and Community-Based waivers, as well as children who are at risk of developmental delays.

Division staff interact regularly with the developmental disability staff at the regional human service centers and the Developmental Center, federal agency representatives, school system personnel, university representatives, consumer advocates, families, and a variety of public and private entities that play a vital role in the delivery system and monitoring of services.

Caseload/Customer Base

In state fiscal year (SFY) 2012, 5,881 consumers received developmental disability program management through the eight regional human service centers, and 8,287 Right Track screenings were completed for infants and toddlers ages birth to three years of age at risk for developmental delays.

In addition, 414 consumers were served through Catholic Charities Corporate Guardianship services for SFY 2012. However, in March 2012, Catholic Charities began a waiting list because they were unable to serve more consumers with the funding available.

Program Trends/Major Program Changes

During the 2011 Legislative Session, Senate Bill 2043 directed the Department, in conjunction with developmental disabilities service providers, to develop a prospective or related payment system with an independent rate model utilizing the Support Intensity Scale (SIS). The Division has contracted with JVGA to develop the rate structure. The Division also has contracted with American Association on Intellectual and Developmental Disabilities (AAIDD) to access the SIS, and with the Rushmore Group to complete the SIS assessments on consumers throughout the state. The Department will continue this work into the 2013-2015 biennium and expects to implement the new rate structure in the later part of the 2013-2015 biennium.

The Centers for Medicare and Medicaid Services (CMS) has placed greater emphasis on providing evidence of compliance with the health and welfare assurances required in the Medicaid waivers. In addition, CMS is requiring more state reporting and more state oversight of providers.

We continue to see an increase in the utilization of self-directed services. These services allow consumers and families to hire their own staff to provide in-home supports, environmental supports/modifications, equipment and supplies, and transportation.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	1,384,336	185,618	1,569,954		1,569,954
Operating	9,147,505	32,031	9,179,536		9,179,536
Grants	438,207	(195,880)	242,327		242,327
Total	10,970,048	21,769	10,991,817	0	10,991,817
General Funds	4,058,095	844,616	4,902,711		4,902,711
Federal Funds	6,761,950	(672,844)	6,089,106		6,089,106
Other Funds	150,003	(150,003)	0		0
Total	10,970,048	21,769	10,991,817	0	10,991,817
FTE	10.00	0.00	10.00	0.00	10.00

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $185,618 and can be attributed to the following:

- $32,092 in total funds of which $15,173 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $54,662 in total funds of which $29,050 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $21,570 in total funds of which $10,198 is general fund needed to provide for the annual and sick leave lump sum payouts for two FTEs expected to retire in the 2013-2015 biennium.
- During the biennium, the Department recognized an increased need due to additional federal requirements from CMS and transferred an

FTE from another area of the Department to accommodate this priority. This position resulted in an additional need of $79,611 in total funds for salary and fringes all of which are general fund.

- The remaining decrease of $2,317 includes a combination of increases and decreases to sustain the salary of 10 FTEs in this area of the budget.

The Operating line item increased by $32,031 and is a combination of the increases and decreases expected next biennium. Outlined below are the areas of change:

- Decrease in travel of $41,714, due to a decrease in Part C travel, which is offset slightly by travel for other areas.
- Decrease of supplies/material-professional of $13,000 for Part C, which is all federal funds.
- Decrease in other equipment under $5,000 of $150,000 for Part C, which is all federal funds.
- Decrease of printing of $20,176, of which $3,502 is general fund.
- Increase of $259,867 in operating fees and services. The increases and decreases are a combination of:
    - Decrease of $450,000 due to the reduction of American Recovery and Reinvestment Act (ARRA) funds, which is all federal funds.
    - Decrease of $52,167 for other miscellaneous contracts, of which $32,862 is general fund.
    - Increase of $330,719 for the Catholic Charities Corporate Guardianship contract for the four percent annual inflationary increase, for an increase in the number of consumers served from 414 to 444, and to fund the second year of the three

percent inflationary increase for 24 months versus the 12 months that were contained in the current budget, all of which is from the general fund.

  - $431,315 increase in the fiscal agent contract as the demand for self-directed supports continues to rise, of which $203,926 is general fund.
- Decrease of $2,946 in supplies, postage and other office administrative costs.

The Grants line item decreased by $195,880 mainly due to the following reason:

- Decrease of $200,000 for other miscellaneous Part C contracts, all of which is federal funds.

House Changes

The House made no changes to this section of the Department's budget.

This concludes my testimony on the 2013–2015 budget request for the Developmental Disabilities Division. I would be happy to answer any questions.

3-13-13-Am 45

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Tina Bay, Director of the Developmental Disabilities Division (Division) of the Department of Human Services. I am here today to provide an overview of the Long-Term Care Developmental Disability Grants Budget, for the Department of Human Services.

Programs

The Developmental Disability Services grants are funded through the Medicaid State Plan, two Medicaid Home and Community-Based Waivers, Part C of Individuals with Disabilities Education Act (IDEA) and general fund.

Caseload/Customer Base

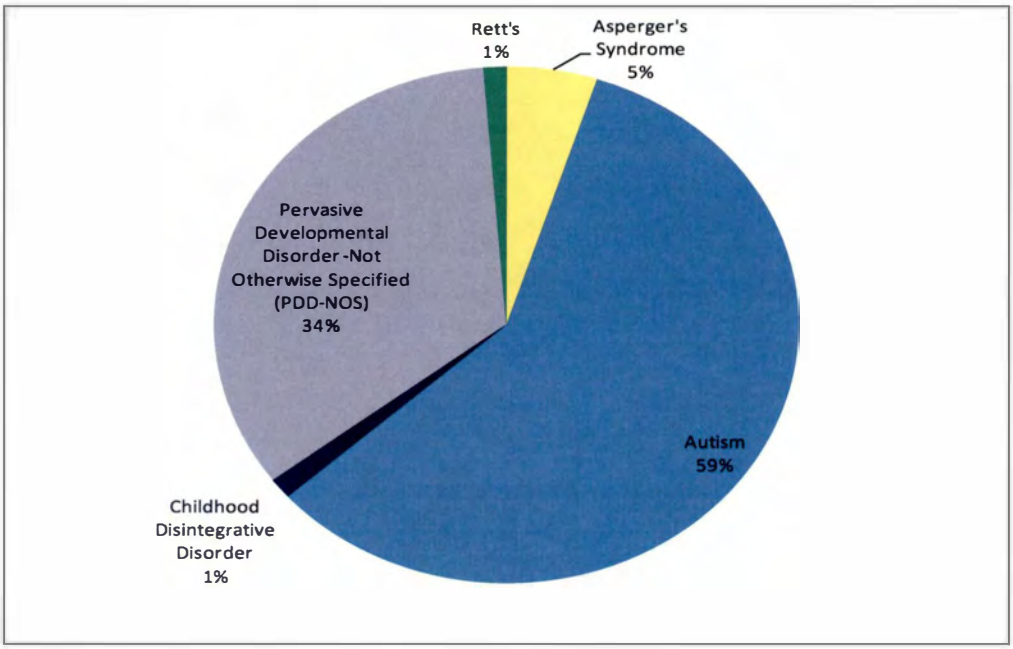
In state fiscal year (SFY) 2012, 5,881 consumers received developmental disability program management through the regional human service centers; 2,867 consumers received family support program services, including family subsidy, infant development, family support, parenting support and extended home health; 2,352 consumers received residential and/or day services; and 825 consumers received self-directed support services, which enabled consumers and families to hire their own in-home support staff, and to access environmental supports/modifications, equipment and supplies, and transportation.

Program Trends/Major Program Changes

Autism

The Autism Waiver was approved by the Centers for Medicare and Medicaid Services (CMS) for three years (November 1, 2010 – October 31, 2013). The waiver has the capacity to annually serve 30 children ages birth through four years of age who have a confirmed diagnosis on the Autism spectrum. Although we served 29 children during the last waiver year (November 1, 2011 – October 31, 2012), there is a need to adjust the services based on what we have learned over the past two years. Therefore, we are currently working with stakeholders to determine the most desired and beneficial services and the appropriate age group for the upcoming renewal of this waiver.

In addition to the Autism Waiver, the Traditional ID/DD Home and Community-Based Waiver also serves consumers with a diagnosis on the Autism spectrum. For SFY 2012, a total of 779 consumers were served in this waiver. The following chart shows the percentage served by diagnosis.



Family Support, Self-Directed Services, and Infant Development

We continue to see an increase in the utilization of these services. These services allow consumers and families to have access to in-home supports through either a community provider or hiring their own staff, environmental supports/modifications, equipment and supplies, and also provide training to families.

Transitions

The Division continues to work with the regional human service centers and the developmental disability providers to transition consumers from the North Dakota State Hospital and the Developmental Center into community placements. Along with this effort, we continue to focus on supporting high need consumers in the community to prevent placements at the North Dakota State Hospital and the Developmental Center.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase/ Decrease	2013 – 2015 Budget	House Changes	To Senate
Developmental Disability Grants	396,996,033	105,424,728	502,420,761	(2,470,280)	499,950,481
General Fund	174,231,307	72,784,954	247,016,261	(1,235,125)	245,781,136
Federal Funds	222,764,726	32,639,774	255,404,500	(1,235,155)	254,169,345
Other Funds					
Total	396,996,033	105,424,728	502,420,761	(2,470,280)	499,950,481

FTE	–	–	–	–	–

Budget Changes from Current Budget to the Executive Budget:

The majority of the caseload growth in the 2013-2015 budget is due to:

- 52 additional high school graduates expected to need services each year of the biennium,
- 10 transitions from the Developmental Center and State Hospital to the community,
- An increase of three consumers per month (72 for the biennium) for family support services,
- An increase of five children per month (120 for the biennium) for infant development services, and
- An increase of 58 consumers for self-directed services.

Attachment A provides a walk-through of the Developmental Disability Grants from the 2011-2013 appropriation to the 2013-2015 Executive Budget to the Budget to the Senate.

House Changes:

- DD Caseload was reduced by $2,300,000 with $1,150,000 being general fund. This reduction consists of three Intermediate Care Facility (ICF) beds for a total of $1,000,000; six Minimally Supervised Living Arrangement (MSLA) beds for a total of $950,000; and 37 consumers in Infant Development receiving three less home visits per month for a total of $350,000.
- An increase of $200,000, which is all general fund, for a grant to an adaptive skiing program.
- The personal needs allowance increase of $85 to $100 for Intermediate Care Facilities was removed, resulting in a decrease of $170,280 with $85,125 being general fund.

- Section 9 was added which establishes a methodology for increasing the personal needs allowance each biennium starting with the 2015–2017 biennium.
- Section 8 added language that requires Intermediate Care Facility providers to submit all facility construction or remodeling proposals to the department prior to enactment of a contract for the completion of the project.

This concludes my testimony on the 2013–2015 budget request for the Developmental Disabilities Division. I would be happy to answer any questions.

North Dakota Department of Human Services
Changes in Developmental Disabilities from 2011-2013 Appropriation to 2013-2015 Budget To Senate

Service Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	LTC Staff & QSP Rate Increase 50¢	Children's ICF/ID	Personal Need Allowance $85 to $100	Total Changes	2013-2015 Budget To House	Remove DD Personal Needs Allowance	Reduce ICF Adult, Infant Dev. & MSLA	Total House Changes	2013-2015 Budget To Senate
Family Subsidy	901,200	545,352	(1,030,116)		25,776				(458,988)	442,212				442,212
Intermediate Care Fac. for Intellectually Disabled	129,492,119	21,313,252	608,009		8,905,926	2,731,672	2,738,474	170,280	36,467,613	165,959,732	(170,280)	(1,000,000)	(1,170,280)	164,789,452
DD Home & Community Based Services	256,319,762	13,648,633	28,232,882	(16,407)	17,965,309	8,790,690			68,621,107	324,940,869		(1,300,000)	(1,300,000)	323,640,869
Autism Waiver	1,860,324	27,492			114,792	8,570			150,854	2,011,178				2,011,178
DD Funding Buckets ^	8,422,628	124,484			519,658				644,142	9,066,770				9,066,770
Total	**396,996,033**	**35,659,213**	**27,810,775**	**(16,407)**	**27,531,461**	**11,530,932**	**2,738,474**	**170,280**	**105,424,728**	**502,420,761**	**(170,280)**	**(2,300,000)**	**(2,470,280)**	**499,950,481**
General Funds	**174,231,307**	**15,904,580**	**11,312,523**	**24,750,876**	**13,549,494**	**5,743,574**	**1,438,782**	**85,125**	**72,784,954**	**247,016,261**	**(85,125)**	**(1,150,000)**	**(1,235,125)**	**245,781,136**

Other Areas:
An additional $200,000 was added by the House for a grant to Annie's House. These funds are 100% General Fund

^ DD Funding Buckets represent enhanced funding for various critical needs provided to children and adults with disabilities.

ICF = Intermediate Care Facility
MSLA = Minimally Supervised Living Arrangements

HB 1012
3-13-13-AM

4B

HB1012 3-13-13 AM # 4/6
Submitted by chairman Holmberg.

13.0730.01000

Sixty-third
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1438

Introduced by

Representatives Hawken, Delmore, Glassheim, Heilman, Sanford

Senators J. Lee, Nelson, Sinner

A BILL for an Act to provide an appropriation to the department of human services for services for individuals with intellectual or developmental disabilities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $300,000, or so much of the sum as may be necessary, to the department of human services for the purpose of contracting for services to provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities, for the biennium beginning July 1, 2013, and ending June 30, 2015. From the funds appropriated in this section, the department of human services may pay $75,000 per year to organizations in the northeast and southeast human service regions of the state for providing the services identified in this section. The department of human services' oversight for these services is limited to receiving information only relating to annual attendance numbers and the expenditure of appropriated funds for these services.

47

TESTIMONY
House Bill 1012 – DHS / DD - LTC Continuum
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am here today to give testimony on the developmental disabilities section of the long term care continuum in HB 1012

The North Dakota Association of Community Providers is made up of 29 organizations across the state, providing services in 110 communities. We represent approximately 6,000 dd staff, 4,900 of whom are Direct Support Professionals, or DSP's, and approximately 7,000 staff serving all populations. We serve approximately 4,000 individuals with developmental disabilities. Services are most often, lifelong. One way in which we differ significantly from ND nursing home industry, is that ninety-nine percent of the typical provider funding comes through the DHS Medicaid budget and less than 1% is private pay.

We are requesting your support in a number of areas of our platform, which I have attached. I will address the wages, turnover. Sandi Marshal, Development Homes, Inc., will discuss the personal needs allowance and transition. Jon Larson, Enable, Inc., will testify on benefits and the new payment system. Larry Bernhardt, Catholic Charities, will discuss the guardianship needs which are under the DD Division operational budget. I have included a flyer with a brief bio of some of the people we support, with information on our legislative request on the reverse side, and a turnover graph.

Wage Increases. We are requesting your support for the Governor's budget, which includes an increase of 4% each year of the biennium, & was included in the House version. We are also requesting support for a $1.00 per hour increase. The Governor's budget included $.50 of this request, as did the budget sent to the Senate by the House. **History:** With the support of the 2009 Legislature, developmental disabilities staff received a 6% increase each year of the biennium, along with a $1.00 per hour increase the first year. **Current Turnover:** This increase, along with strategies put in place by NDACP members, had a profound impact on our turnover, reducing it from an all time high of 51% to 32%, as of 7-1-12, and we are very appreciative of this increase. The 2011 Legislature approved increases of 3% each year of the biennium, without a wage pass-through. While this has stabilized services, 32% is still a very high turnover rate, and we hope it can be reduced further with your support. Current turnover for state employees overall, is reported to be 11.1%; the turnover for DHS is 12.4%; and P & A turnover is at 24%. Our goal is to reduce our turnover to 20%. **Current Turnover Mitigation Efforts:** I am often asked what measures NDACP has put into place to help stabilize staff turnover. We have been working hard since the last legislative assembly to implement strategies to impact our turnover. Because the quality of supervision is often cited as a reason people leave employment, we currently offer a mid-management supervisory training opportunity of 36 hours, over the course of six sessions. We have trained over 90 supervisors, to date, and will continue to offer the training, each year. We have developed a DD Human Resource division, a Business Managers division, along with our Trainers and Nurses divisions, and will

be starting a divisions to focus on the employment of persons with disabilities, specialized training for our QDDPs, and a technology users group, all of which allows our staff to share best practices, strategies to retain staff, and improve the quality of services. These groups all meet or will meet, quarterly. The Realistic Job Preview, developed in partnership with the DHS Money Follows the Person grant, is now available to all agencies to use to help us do a better job of hiring the right person. We are also working with the Center for Persons with Disabilities at Minot State. They have long had a high quality module curriculum, with a career ladder which leads to a certificate, an associate's degree, and a bachelor's degree. We requested that they become accredited through the National Alliance of Direct Support Professionals. They have received provisional accreditation on a process which will give a nationally recognized certificate to ND's DSPs. This process was paid for through a grant from the State Council on Developmental Disabilities, with NDACP paying for the grant match costs.

Wages: The average wage in ND one year ago, in November of 2011, according to the Bureau of Labor Statistics, was $42,640. The average reimbursement providers receive from DHS is $15.25 per hour, or $31,720 per year. This amount is used to develop a wage range for new to long term staff. Our current, average starting wage is $12.06. We completed a wage study in November of 2012, and found that the average starting wage of competitors was $15.17 per hour. We look at entry level positions in a broad range of jobs to determine the competitor's wage, and it will include CNAs, teacher aides, fast food workers, shelve stockers, and clerks, etc.

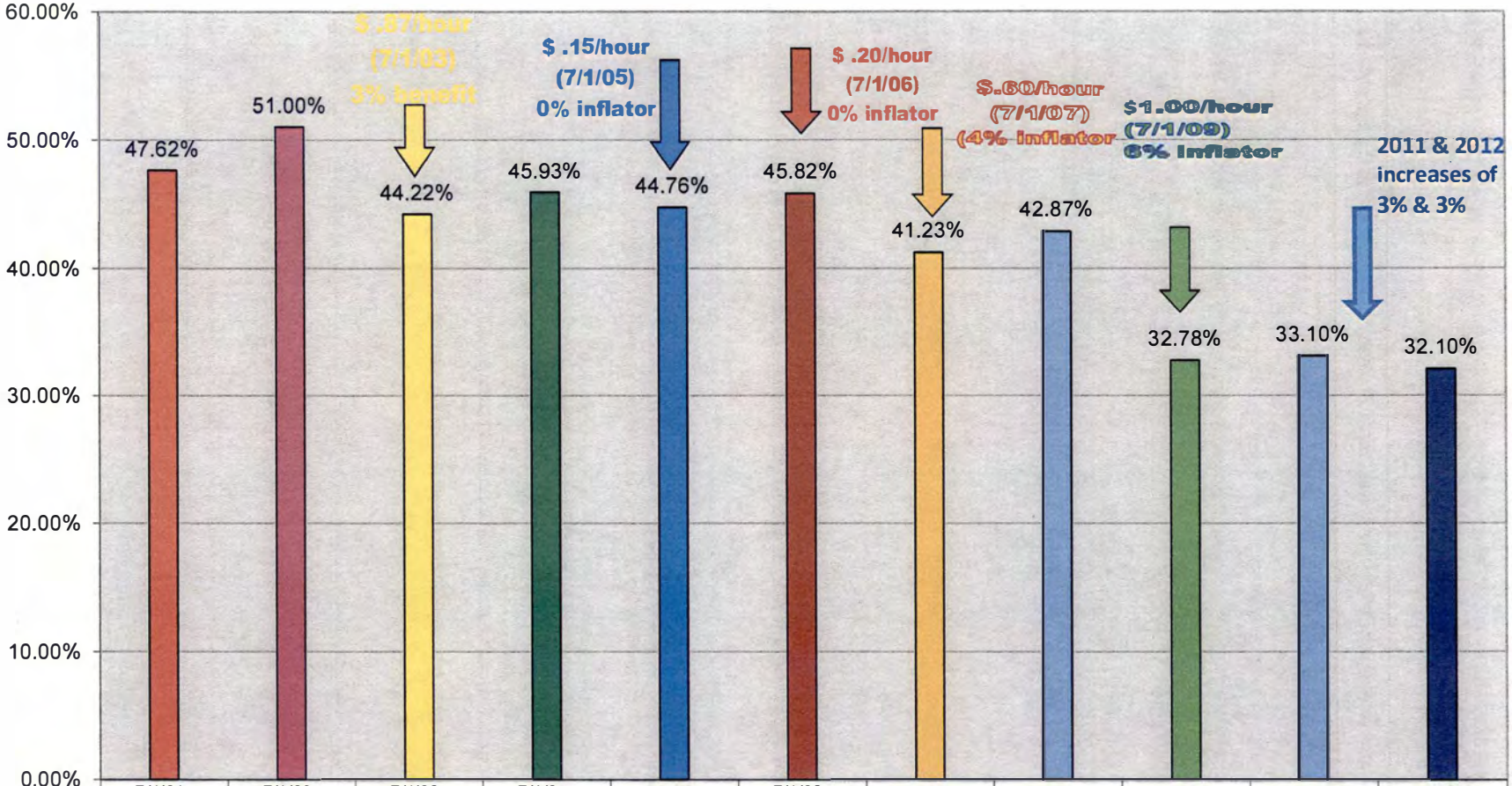
Oil Patch Add-on: For your awareness, I want to point out the western providers are currently included in the grant program proposed in section 11 of HB 1358.

Utilization: We request that you restore the utilization cuts made by the House. We are concerned the will result in a cut in services to people with disabilities, especially in the areas of transitions from schools, from the Developmental Center and in Infant Development.

An addition piece of information I'd like to leave with you is that we received a grant from the State Council on Developmental Disabilities to produce a video entitled, "I Am A Person." We partnered with Prairie Public Broadcasting on this project. It features individuals with intellectual and developmental disabilities living and working successfully in the community and dispels myths about people with disabilities being a part of the community. There were premiers in Jamestown, Minot, Harvey, Fargo, Wahpeton, and Grand Forks. The initial PBS broadcast took place on February 20th and ran in ND, western MN, and part of Manitoba. PBS believes it may be picked up nationally. I would be enthused to set up a viewing for interested legislators over a noon hour, or another convenient time.

Chairman Holmberg, this concludes my testimony. I would be happy to answer any questions.

NDACP TURNOVER
FY 2001 - 2012



	7/1/01 - 6/30/02	7/1/02 - 6/30/03	7/1/03 - 6/30/04	7/1/04 - 6/30/05	7/1/05 - 6/30/06	7/1/06 - 6/30/07	7/1/07 - 6/30/08	7/1/08 - 6/30/09	7/1/09 - 6/30/10	7/1/10 - 6/30/11	7/1/11 - 6/30/12
Series1											
Series2	47.62%	51.00%	44.22%	45.93%	44.76%	45.82%	41.23%	42.87%	32.78%	33.10%	32.10%
Series3											

TESTIMONY
House Bill 1012 – DHS / DD - LTC Continuum
Senate Appropriations Subcommittee
Senator Kilzer, Chairman
March 14, 2013

Chairman Kilzer, members of the Senate Appropriations Subcommittee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am submitting a clarification to the testimony I gave on 3-13-13 regarding the developmental disabilities section of the long term care continuum in HB 1012

As providers, we are very concerned about the cuts made to DD utilization by the House of Representatives. We received feedback that we did a poor job of clarifying that in our testimony on March 13th, and wanted to state our concerns more succinctly.

According the DHS/DDD, the utilization cuts will reduce caseload by $2,300,000, of which $1,150,000 is general fund. The reduction consists of three intermediate care facility (ICF) beds for a total of $1,000,000; six minimally supervised living arrangement (MSLA) beds for a total of $950,000, as well as cuts to Infant Development. We are very apprehensive that the funding will not be in place in FY 2013-2015 for continued deinstitutionalization and transition from the public schools. We base our concerns on the fact that last biennium's utilization exceeded the DHS projections and they had to deficit spend in that area of their budget.

We are concerned that one of two things will happen. (1) Either DHS will have to go to the Emergency Commission and request funding for what would be a predictable and routine funding request, or (2) the additional services will not be able to be provided. We believe that the DHS budget numbers submitted to the Governor's office are valid, and respectfully ask the Senate to restore the cuts made by the House.

Barbara Murry
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NORTH DAKOTA ASSOCIATION OF COMMUNITY PROVIDERS

Creating Inclusive Communities

Support increases of 4% and 3% to cover health insurance for all employees working with people with intellectual disabilities.

Support a $1.00 per hour equity increase to become competitive with the labor market in North Dakota.

PUBLIC POLICY PLATFORM 2013 - 2015 BIENNIUM

Priority Items:
4% annual inflator for each year of the biennium for all staff.
Wage increase for all staff of $1.00 per hour.
3% increase in the benefit multiplier to cover the increasing costs of health insurance.
Continuation of funding for the new payment system initiated in the last session.
Continued support for transitions from Developmental Center to the community, including increased community capacity.
Continued support for an increase Guardianship slots and rate.
Continued support for an increased personal needs allowance from $85 to $100 and to provide automatic inflationary adjustments.
Increase of $500 per FTE to continue service delivery in oil country.

We are more than 6,000 employees in North Dakota living in 110+ communities who provide support services for thousands of people with intellectual and developmental disabilities. Our average employee is mid 30's and has a family to support.

Our goal is to continue providing quality and consistent support for people with disabilities. Providing competitive wages will enable us to decrease employee turnover leading to better outcomes for the people we support. With your support, turnover has decreased from nearly 50% to 32%. However, that continues to be unacceptably high.

Annual Wage Comparison

Average Yearly Wage in ND - 2011	**$42,640** Bureau of Labor Statistics Nov 2011
Average Yearly Wage in ND - 2012	**$49,000** simplyhired.com 12-18-12
Average Yearly Reimbursement for DD Providers	**$31,720** DHS reimbursement $15.25/hr 7-1-12
Average Starting Wage for Competitors	**$15.17 per hour** Nov 2012
Average Starting Wage for DD Providers	**$12.06** Nov 2012
Increase Needed	**$ 1.00 per hour**

Current turnover rate for DD providers is 32%.

Creating Inclusive Communities

NDacp

Top-clockwise

- Woman driving pontoon-Molly Regan, age 81, enjoys an active, engaged life, including taking a turn at driving the pontoon at Camp Confidence. Molly lives in a group home operated by Development Homes, Inc. in Grand Forks and does volunteer work in the community.
- Right in blue shirt, wearing cap-Mason Thane is an active 14 year old who lives at home with his grandparents, Russell and Betty Thane. He enjoys playing Wii, spending time with friends, going to school, and attending Special Olympic events.
- With the support from Community Living Services and Red River Human Services, Ervin Peterson has worked at Mom's Kitchen in Fargo for the past 12 years, and loves fishing, camping, and riding his bike.
- With the support of friends and family, Doris was able to own and operate her own soup business called Doris' Gourmet Soup. Most of the beans in her soup mix are locally grown here in the Red River Valley of North Dakota. Doris is supported by Friendship, Inc. out of Grafton, ND.
- Pius assists with the landscaping at HAV-IT Services in Harvey, ND.
- Pink Sweater-Jacqueline DeVillers lives at home with her parents in Wahpeton. She receives Family Support Services and Supported Employment. Jacqueline is a very social and caring person who loves spending time with her family and attending her nieces' school functions. Jacqueline's favorite place to eat is McDonalds. She will be the first to tell you their fries and burgers are the best!
- The woodshop at the Vocational Training Center in Fargo provides employment opportunities.
- Woman by cake-Nina Anderson is a 68 year old female residing in an ICF/ID home.
- Man by farm equiment-Born and raised in Harvey, Pius continues to enjoy visiting local farmers during planting and harvest season.

Center Picture

- (L) Isabelle Schaff, aka "Izzy," has lived in Wahpeton since January, 2006. She enjoys talking about her experiences in her life, cooking and traveling. She is a great story teller and can rattle off her favorite recipes by memory.
- (R) Darleen Paulson has lived in Wahpeton since August, 1995. She enjoys visits with her sisters, looking at magazines, and anything to do with Hallmark. Darleen is pictured on a summer vacation to Storybook Land in Aberdeen, SD, with her roommate Izzy.

48

HB 1012
3-13-13 AM

Testimony
House Bill 1012 – Department of Human Services
Senate Appropriations Committee
Senator Ray Holmberg, Chair
March 13, 2013

Chairman Holmberg, members of the Appropriations Committee, I am Sandi Marshall, President of the North Dakota Association of Community Providers (NDACP), and Chief Executive Officer of Development Homes, a large non-profit DD provider agency in Grand Forks. Thank you for the opportunity afforded to NDACP to provide information today relative to the needs of our industry, on behalf of both the people we serve and the many citizens of North Dakota that we employ to provide those services.

First, I would like to recognize the significant increases in your support of this industry during the recent legislative sessions. These funds have gone a long ways towards addressing the costs associated with the staffing and program needs of our most vulnerable citizens, and represent a real commitment to quality and humane supports.

I would like to address two items in the NDACP platform; funding for continued community capacity building to accommodate further transitions out of the Developmental Center, and funding to increase the Personal Needs Allowance for individuals who reside in Intermediate Care Facilities for the Intellectually Disabled.

The 2005 legislature required the Department of Human Services to work with the DD provider community to develop a plan for further deinstitutionalization. The resulting Transition to the Community Task Force has continued to plan for the movement of individuals into community life, including implementation of a Centralized Project Team mechanism. Through this process, DD provider agencies can propose projects to develop community capacity that are geared around the needs of small groups of people residing at the Developmental Center. Several providers have and continue to propose such projects.

NDACP supports the funding included in the Governor's budget for the Department of Human Services to serve additional people being placed out of the Developmental Center during 2013-2015. It is anticipated that the number of people being served at the Center will decrease to no more than 67 adults in the ICF/ID units, down from the current number of 85.

We support the projections for caseload growth in the DD grants budget to accommodate 10 new adult clients from the Center into the community in the coming biennium. This is in addition to the transitions that are planned to occur yet in the remainder of the current biennium. We are concerned about the utilization cuts made by the House, and would ask that those services be restored.

NDACP also supports the inclusion of funding in the Governor's budget to support a total of 8 children in two new small community ICF/ID group homes. These homes would serve children with behavioral challenges, and

would provide options for the group of children who recently moved from the State Hospital to the Developmental Center's youth transition program.

We wholeheartedly support the continued focus on providing community-based living for people with disabilities. We also support the reframing of the purpose of the Center from a place where people go to live the rest of their lives, as once was the case, to a safety net for crisis situations, with a goal of transition back to community life. It is a partnership that is mutually supportive of the needs of our most vulnerable citizens.

The second issue I will address briefly is the request to increase the personal needs allowance for individuals who live in ICF/ID's from $85/month to $100/month, and to provide for automatic inflationary adjustments. The requested increase in the personal needs allowance was in the Governor's budget proposal, but amended in the House.

That amendment would eliminate the $15/ month increase proposed to take effect immediately, and substitute it with CPI-based inflation percentages each biennium, without the initial catch-up. Under that scenario, it would take 16 years to achieve the $15/month increase, assuming a 2% CPI.

Typically, the people residing in these facilities have little to no other means of economic support. These funds are used for a variety of personal expenses, such as for clothing, personal hygiene products, personal spending allowances, and for involvement in community activities. The needs are acutely felt in children's homes as they grow and wear out clothing more quickly, and many do not have families able to make these purchases.

The state of the art paradigm in the industry, supported by both Title 19 standards, and CQL accreditation, is one of developing what is called "social capital" in people's lives. In order to do so, people need to be exposed to activities and opportunities in the community, where they can meet and develop relationships with ordinary community citizens. They can then begin to gain important informal supports that help to create a meaningful quality of life. This is not done without having the personal funds to be able to participate in community activities.

NDACP is appreciative of the legislature's recognition of the citizens we serve and the thousands of people who work in this industry in North Dakota. Our collective quality of life is well-served by supporting all our citizens to contribute to community life. Thank you.

#49
3-13-13-Am

Testimony on HB 1012
Senate Appropriations Committee
March 13, 2013

Chairman Holmberg 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 intellectual disabilities in Bismarck and Mandan. I am also here today to testify on behalf of the North Dakota Association of Community Providers (NDACP).

First of all, I would like to express my appreciation to this committee and to the entire legislative body for their continued support of services to people with disabilities. North Dakota provides its citizens with disabilities an excellent array of services and supports that meet national accreditation standards and are recognized by many experts as some of the best in the country.

I would also like to express my appreciation to Governor Dalrymple for recognizing many of our needs in his executive budget. Although we are here today to request some additional appropriations, we are pleased that he included an inflationary rate of 4% for each year of the biennium, $.50 an hour for our staff, and increased funding for the corporate guardianship program. The House kept those provisions in place.

Over the past few years, North Dakota has experienced rapid growth which has brought about a lot of change in all areas of our lives. Never before has the competition for qualified employees been so intense. This need for good employees is more extreme in the Western part of our state but the effects of our good economy impacts all areas of the state as evidenced by Bismarck and Fargo having the lowest rates of unemployment in the nation. This competition for employees affects all segments of our economy but as DD providers our ability to respond to changing market conditions is limited by our level of reimbursement.

One tool for maintaining a quality workforce is to provide an attractive employee benefit package. We are concerned about our ability to continue to do this. DD providers are given an allowance of 33% of approved salary dollars to provide benefits for our

employees. From this 33%, DD providers must pay several mandatory benefits such as FICA taxes (7.65%), Workforce Safety Insurance, and Unemployment Compensation. This leaves approximately 20% of approved salary dollars to pay for "optional" benefits such as health insurance and pension plans. The rapidly rising cost of health insurance, often increasing over 10% a year, over the past several years, has dramatically affected the health insurance coverage our employees receive. The cost of health insurance alone can be as much as 40% of the wage of some of our direct support professionals. DD providers have been forced to increase deductibles, co-insurance amounts and to shift ever larger portions of the premium to their employees. This problem, of course is not unique to DD providers, but our reimbursement system limits the amount available to pay for these increasing costs.

We are asking that you consider adding 3.0% to our fringe benefit allowance to stem the steady erosion of health insurance benefits to our employees.

Our concern about our ability to stay competitive with our benefit package is amplified by the implications of the Affordable Care Act. Cost estimates of the impact on our budgets for implementing the Affordable Care Act are difficult to accurately project at this time but we are deeply concerned about the impact on our budgets and our ability to maintain an attractive benefit package. Our estimates have concluded that the new provisions in this act will cost DD agencies approximately an additional 4% of our approved salary dollars.

In 2011, Senate Bill 2043 directed the Department of human Services, in conjunction with DD service providers to develop a prospective or related payment system with an independent rate model utilizing the Support intensity Scale. As directed, a steering committee was formed, a consultant was hired, and we have been working diligently with the Department of Human Services to create a system that meets all the requirement set forth in that bill.

The steering committee soon realized that creating a new payment system was a very complicated task. Department of Human Services staff and DD provider staff on the steering committee have worked cooperatively to gather all the data and to do the

analysis that is required. I am very pleased that this has been a very open and transparent process and providers have had ample opportunity for input.

The steering committee, along with our consultant, has met on a monthly basis in an open meeting format to discuss all the issues that must be decided in making such an important change. Several tasks have been completed and we are beginning to analyze the impact some of the proposed changes will have on individual providers and the system as a whole. There are concerns with some of the initial analysis and the impact changing to a new payment system will have on some providers. We are working on those concerns and remain optimistic about what these important changes will mean for our service delivery system.

The North Dakota Association of Community Providers asks for your continued support of this important process.

Again, thank-you for your continued support and for this opportunity to talk to you today. I would be glad to answer any questions you may have.

Jon Larson, Executive Director Enable, Inc.
North Dakota Association of Community Providers (NDACP)

3-13-13 AM #50

HouseSenate Appropriations
Testimony on House Bill 1012
Senator Ray Holmberg – Chairman
March 13, 2013

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Larry Bernhardt and I am the Executive Director of Catholic Charities North Dakota (CCND) and I am respectfully asking your committee to approve increased funding for corporate guardianship services for people with developmental disabilities.

The provision of corporate guardianship services for people with developmental disabilities is a tremendous responsibility as it demands a continuous commitment to help our wards achieve stability and improve their lives. Always, it is our court appointed duty to make complicated, life changing decisions that balance the best interests of the ward while safeguarding the ward's personal autonomy. As corporate guardians, we have an obligation to provide our wards the best services possible when making difficult and complex medical, residential, legal, vocational, educational or financial decisions. Our funding request has three (3) priorities:

1. Additional openings/slots to eliminate the extensive waiting list of vulnerable people with developmental disabilities who have unmet guardianship needs.
2. An increase in the funding for petitioning costs.
3. A daily rate that is a direct reflection of the costs associated with the resources (i.e., staff and staff time to manage the workload/caseload, benefits, facilities, equipment, supplies, mileage, etc.) that are needed to provide quality services on behalf of our wards.

Additional Openings

We are very grateful that the Governor's proposed budget for DHS includes the Optional Adjustment Request for 30 additional openings/slots for corporate guardianship services. It is extremely distressing when a person with developmental disabilities is at risk of or is actually experiencing harm from abuse, neglect or exploitation but must be placed on a waiting list. In March 2012, our corporate guardianship program reached its capacity of 414 and a waiting list was initiated. When we submitted our funding request to the Developmental Disabilities Division/DHS in July 2012, our waiting list included the names of 45 individuals and we were

comfortable that the 30 openings would be sufficient. As of 02-28-12, our waiting list had expanded to 63 people and the 30 requested openings/slots will be inadequate. We are asking for an increase of 10 additional openings/slots to insure that we can serve the referrals by Developmental Disabilities Program Managers in a timely manner.

Please note that even though we currently have a waiting list, we want to assure you that if a person with developmental disabilities is in an imminent life-threatening situation, we immediately accept that referral and provide guardianship services once the court makes that appointment.

Petitioning Costs

Again, we would like to express our appreciation that the Governor's proposed budget for DHS includes the Optional Adjustment Request for an increase in funding for petitioning costs connected with the 30 additional openings/slots. Adequate petitioning funds are critical as they go hand in hand with the request of additional openings to eliminate the long waiting list. Without sufficient petitioning funds, a number of people who are on our waiting list will not be able to access our services because they can not afford to pay the petitioning costs associated with the establishment of a guardianship. We are requesting funding for the petitioning costs related to our request of 10 additional openings.

Daily Rate

Our corporate guardianship program is reimbursed $6.71 per day/per ward through our contract with the Developmental Disabilities Division/Department of Human Services. We are requesting that our daily rate be increased to reflect the actual costs of meeting the complex guardianship needs of our wards on a daily basis and providing the required services. It is critical that our services are structured to allow guardianship workers the ability to effectively manage needs of each ward and the workload associated with their caseload. Catholic Charities North Dakota is accredited by the Council on Accreditation (COA) and our guardianship program must meet COA's Adult Guardianship Standards. COA recommends a staff to client ratio of 1:20 (See **Attachment A** for applicable COA Standard). This recommendation was echoed by Winsor C. Schmidt. Mr. Schmidt, a faculty member of the University of Louisville -

School of Medicine, was contracted by Legislative Management to conduct a comprehensive study of guardianship services for vulnerable adults in North Dakota. On May 30, 2012, Mr. Schmidt provided his final report to the Interim Human Services Committee. Mr. Schmidt stated that there is a definite unmet need for guardianship services in North Dakota and part of his recommendations were to provide staff to client ratio to 1:20. As of 12/31/12, the average caseload for our full-time guardianship workers is between 35 and 36 wards, however given the services provided by other professionals or team members for the clients with developmental disabilities, we believe to meet the needs of our wards and for our guardianship workers to effectively manage their workloads, a ratio of 1:34 wards is needed (See **Attachment B**). To achieve a staff to ward ratio of 1:34 and to reflect our actual cost of service, our daily rate must be increased by $0.87 for Year 1 of the biennium and $0.90 for Year 2.

In closing, I respectfully ask for your support of funding for corporate guardianship services as outlined in HB 1012 and the following increases:

10 additional guardianship openings/slots (10 x $6.98 x 365 plus 10 x $7.26 x 365)	$ 51,976
Petitioning costs for 10 additional openings (10 openings x $1,081 average cost per case)	$ 10,810
Actual cost of service and staff to ward ratio of 1:34 (Difference between requested daily rate and current daily rate): **Year 1: $7.85 - $6.98 = $0.87; $0.87 x 454 wards x 365 days = $144,168 **Year 2: $8.16 - $7.26 = $0.90; $0.90 x 454 wards x 365 days = $149,139	$293,307
Total	**$356,093**

With your help, the good and necessary work of the corporate guardianship program can continue to provide persons with developmental disabilities the appropriate level of protection while fostering the highest degree of independence and self-growth possible. Thank you for the opportunity to stand before you today and I would be happy to try to answer any questions you may have.

Attachment A

Council on Accreditation

Adult Guardianship Standard 7: Frequency of Contact

AG 7.02 - Guardianship workers are able to effectively manage their workload, and cases are assigned according to a formalized system that takes into consideration:

a. the identified needs of the service population;
b. the complexity and status of the case such as the individual's living situation, the type of guardianship being provided, or the existence of complex medical conditions;
c. size of geographical area covered;
d. the qualifications and competencies of the worker and the supervisor;
e. services provided by other professionals or team members such as bookkeepers, guardian assistants, and volunteers;
f. other organizational responsibilities; and
g. applicable legal requirements.

Interpretation: Workloads should meet the organization's established caseload policies and ensure that workers are able to provide appropriate support and timely decision-making for the individuals on their caseload. The organization should be able to justify established ratios based on the above criteria and demonstrate how it ensures appropriate, high-quality care is being provided to each client. When an organization assigns teams of professionals to carry out different responsibilities for each case, all full-time professional staff may be counted when determining the staff-to-client ratio. Research Note: Studies of public guardianship programs have found that lower staff-to-client ratios are associated with improved outcomes and recommend a 1:20 ratio to eliminate situations in which there is little to no service being provided.

Attachment B

Corporate Guardianship Workload/Caseload Information

In 2009, we developed the following list of workload issues that contribute to the need to have a caseload ratio of 1:34. We stressed these points in our testimony at the 2011 Legislature and they remain true:

- Since 2002, our corporate guardianship program has seen an increase in the behavioral, psychiatric, chemical dependency, sexual health, legal and supervision needs of our wards. This places heavy demands on our guardianship workers.
- From 7/1/99 to 6/30/00, our guardianship program had no wards between the ages of 18 to 24. From 7/1/11 to 6/30/12, we served as guardian for 51 wards between the ages of 18 to 24.
- Wards in this age group of 18-24 typically have needs that are very time intensive because of psychiatric concerns, behavioral difficulties, alcohol/drug use, sexual health and legal issues. Because of complex needs, frequent team meetings are the norm as well as frequent face to face visits. Guardianship workers can expect numerous contacts with psychiatrists, psychologists, physicians, family members, attorneys, landlords and law enforcement.
- During the past several years, there has been a significant increase in the number of family members who are upset that the courts have appointed a corporate guardian for their son, daughter or sibling (all ages not just the age group of 18 to 24). Disgruntled family members place a high demand on our guardianship workers in terms of time, effort and energy.
- The overall complexity of all cases has changed a great deal during the past 25 years. Twenty-five years ago, the majority of our wards resided at the Developmental Center, nursing homes or group homes. Since that time, the shift has been to Individualized Supported Living Arrangements (ISLA), Supported Living Arrangements (SLA), Transitional Community Living Facilities (TCLF) and Minimally Supervised Living Arrangements (MSLA) which translates to more independence and decreased supervision. The shift to increased independence results in more personal autonomy but also more exposure to sexual exploitation or abuse, financial exploitation and abuse, self neglect or abuse and legal problems. Again, this places more demands on our guardianship workers' time.
- During the past decade our accreditation agency (Council on Accreditation) has dramatically increased our paperwork requirements to document accountability and the quality of our services.
- Medicaid changes, special needs trusts, tribal trusts and other complicated financial activities have placed considerable responsibilities on our guardianship workers as they must spend numerous hours completing research before a decision can be made.

Guardianship workers regularly tackle the above mentioned issues but please keep in mind that they are also carrying out their regular duties for their entire caseload. Those duties include:

- Maintaining on-going personal contact with each ward. COA Adult Guardianship Standard 7 specifies that caseload size should support regular contact with individuals and the achievement of desired outcomes. The Adult Guardianship Standard, as well as our GD Policies, state that our guardianship workers must complete face-to-face visits no less than once per month and more frequently depending on the ward's needs, circumstances and court orders. Visiting, communicating with and getting to know our wards is our most important responsibility as a guardian.
- Making difficult and complex medical, psychiatric, end of life, residential, legal, vocational, educational or financial decisions on behalf of our wards. Guardianship workers spend a great deal of their time gathering input/information from our ward, the ward's team members, family members, medical professionals, Developmental Disabilities (DD) Program Managers, residential service providers program coordinators, etc., before making a decision on behalf of the ward.
- Attending meetings and participating actively as a member of the ward's inter-disciplinary team and advocating for the welfare and best interests of each ward and his/her rights.
- Maintaining case records and giving special attention to sustaining the Agency's accreditation status.
- Completing concise but thorough annual reports to the court regarding each ward.
- Performing on-call and back-up on-call responsibilities on a rotation basis for one week at a time, 24-hours per day.

3-13-13 AM 51

House Bill 1012

Senate Appropriations Commitee
On
Human Services

Testimony by Mathew C. Schwarz
March 13, 2013

Good Morning!

Chairman Holmberg and Members of the Committee.

My name is Matt Schwarz. I live in Bismarck (District 47) with my wife Marcia and daughter Jessica. We have a long history of medical and developmental disability needs and services, going on 38 years. My wife and daughter both have Myotonic Muscular Dystrophy. Jessica, who is on life support with a trachea, oxygen, and nocturnal ventilation, lives with us in our home. Our oldest daughter, Stephanie, died 9 years ago. I retired prematurely to care for my wife who cannot be left alone anymore and privately pay for assistance.

I am here to testify as a parent in support of the annual 4% wage and 3% benefit multiplier for health insurance increase in the biennium for the people that do diligent and difficult work for our daughter, Jessica! Additionally, although we appreciate the Governor's request for an additional $.50/hour adjustment in his budget, we respectfully request the adjustment be increased to at least $1.00/hour as outlined by NDACP.

It is critically imperative to provide adequate funding for the provider staff. The services they provide require extensive medical training and responsibility. Turnover as a result of the demand from the booming economy in ND has impacted us dramatically. I routinely fill in one overnight per week and various gaps in services for our daughter. When there are staff vacancies, existing staff takes on additional hours when they are able. When they are not able, I do it. We have some caregivers that have worked for us 12+ years, but experienced staff has left because they can do better elsewhere with less responsibility. Our Provider, Community Options (CORES), indicate often they do not even have ANY applications on file, leave alone choosing from a pool of motivated individuals to bring into our home. Our staff supervisor (Our Angel) has lost much sleep and spent countless hours innovatively looking for applicants. Not only has Community Options offered signing bonuses but responsible staff has selflessly, on their own initiative, contacted friends through Facebook, by making posters, contacting students, and even enlisting their MOTHERS to ask around for help in finding applicants.

We have had many wonderful staff help us but with turnover, inspite of many intense hours of training, experience is lost. When the quality of care suffers in our home, not only is it dangerous and difficult for us but when we end up in the hospital, the costs (for the state, i.e. Medicaid) skyrocket!!!!!!

In our younger years, my wife, an RN and I, did all of the care until we were unable to do so. I recently started receiving my social security benefits. We are getting older and not able to do sleepless nights and function the next day, like we once could. Sometimes I am really tired and worry about future. This isn't exactly the retirement I was looking forward to either.

We, as many others, have not benefited from the booming oil economy. To the contrary, it has had the opposite effect. We respectfully suggest it would be appropriate to share some of that bounty with the citizens who need additional resources.

Again, in summary our family asks you increase the hourly adjustment to a minimum of $1.00 per hour as well as the wage and benefit increases requested by the NDACP.

I will be happy to answer any questions.

Thank You!

#52

HB 1012
Budget for the Dept. of Human Services

Senate Appropriations
March 13, 2013

Good morning Chairman Holmberg and members of the Committee. I am Teresa Larsen, Executive Director of the Protection & Advocacy Project (P&A). I'm testifying in support of the DHS budget as put forth by the Governor.

Specific to Developmental Disabilities services:

- P&A supports a personal needs allowance increase to $100/month for those living in ICF/ID's. This is not an unreasonable amount for individuals to be able to participate in community activities, purchase items including clothing and toothpaste, and perhaps save for a vacation someday.
- P&A supports restoration of the $2.3 million cut to caseload projections. [adult ICF/ID = $1 million; MSLA = $950,000; infant development = $350,000]
- P&A supports the NDACP platform that includes provider staff wage increases of $1/hour in addition to the annual inflationary increase of 4% plus 4%.
- P&A supports the legislative management study of the Developmental Center as included by the House. With a daily rate of $749, and with community service providers who are more able and willing to serve higher-need individuals in the community, a clear plan and direction for this institution is needed.

P&A also supports the expansion of the Medicaid waiver for individuals diagnosed on the Autism Spectrum Disorder. Eligibility for the waiver currently ends when a child turns five years old. Most are then left without options. In addition, there are only thirty slots for the current waiver. It is now full which means there is, or will be, a waiting list. Services available under the waiver are currently limited and need to be expanded to include behavior intervention and treatment services.

There are a number of organizations that are advocating for the expansion of the ASD waiver. We have prepared language for an amendment to the DHS budget. It expands the ages from birth through age

twenty-two and adds forty-two slots to the existing thirty. Because this is a Medicaid waiver, approximately half of its costs would be federal.

Thank you. I'm happy to answer any questions.

Teresa Larsen
328-2950
tlarsen@nd.gov

Proposed amendment to HB 1012

SECTION __ DEPARTMENT OF HUMAN SERVICES' AUTISM SPECTRUM DISORDER MEDICAID WAIVER. The department of human services, by January 1, 2014, shall seek approval from the federal centers for medicare and medicaid services to expand the department's autism spectrum disorder medicaid waiver to cover forty-two additional individuals from birth through age twenty-two and to provide appropriate behavior intervention and treatment services that may include evidence-based and promising practices, case management services, technology and technology-based support, in-home support, equipment and supplies, home monitoring, respite care, residential supports and services, extended vocational supports, and behavioral consultation. The program may not include aversive or abusive therapies or treatment.

HB 1012
3-13-13am. 53

Testimony
House Bill 1012
Senate Appropriations Committee
Senator Ray Holmberg, Chairman
March 13, 2013

Chairman Holmberg and members of the Committee: my name is Carlotta McCleary. I am the Executive Director of ND Federation of Families for Children's Mental Health (NDFFCMH). NDFFCMH is a parent run advocacy organization that focuses on the needs of children and youth with emotional, behavioral and mental disorders and their families, from birth through transition to adulthood.

NDFFCMH works with children and youth with an Autism Spectrum Disorder and their families. I am also the parent to a young man with Pervasive Developmental Disorder (NOS) which is an Autism Spectrum Disorder (ASD).

NDFFCMH is in support of expanding the department's autism spectrum disorder waiver to cover individuals from birth to 22. NDFFCMH supports the amendment offered by Protection and Advocacy. This will allow 42 children and youth with ASD access to services that are desperately needed. Families have expressed the need to access appropriate behavior intervention and treatment services. We feel that may children should have access to evidence-based and promising practices. Children with an autism spectrum disorder also need services such as case management services, technology and technology-based support, in-home support, equipment and supplies, home monitoring, respite care, residential supports and services, extended vocational supports, and behavioral consultation.

Thank you for your time.

Carlotta McCleary, Executive Director

ND Federation of Families for Children's Mental Health
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HB 1012 5.4

Testimony on 1012
2013 Legislative Session
March 13, 2013
Sen. Holmberg, Senate Appropriations Chairperson

Senator Holmberg and Members of the Senate Appropriations Committee

My name is Donene Feist, I am the Director for Family Voices of North Dakota. I come before you today to request an amendment to 1012 for the expansion of the Autism Waiver. We are in agreement with others on the request for an amendment.

Family Voices of North Dakota is the health information and education center for families of children with special health care needs in ND. We provide emotional and informational support to many families across North Dakota who has a child with an autism spectrum disorder. Our staff provides assistance to families by assisting them access and navigates services, providing emotional, informational support and educational information to assist them with their unique and individual needs.

Because we are a health information and education center for all families who have a child with special health care needs and disabilities, we feel it in the best interest of the families we serve to continue to discuss the expansion of the waiver which was originally in SB2193.

We feel there is a need for both the pilot voucher and the expanded waiver, that removal of the waiver expansion is a huge mistake, with unintended consequences and as such we would like the expansion of the waiver amended to 1012.

Voucher services across the country are primarily educational in nature. As such, voucher services will not address the medical needs of children with autism spectrum disorders.

There is empirical evidence that children with ASDs have co-occurring conditions.

Evidence:

A paper in the Pediatrics Journal, ***Factors Associated With Age of Diagnosis Among Children With Autism Spectrum Disorders***, by David S. Mandell, ScD, Maytali M. Novak, MA, Cynthia D. Zubritsky, PhD (Vol. 116 No. 6; 1480 -1486) **that reports children who reside in rural areas and children whose family income is less than 100% FPL are often diagnosed with ASDs later than other children are.**

Additionally, the National Survey of Children with Special Health Care Needs, identifies 93.2% of children and youth with an Autism Spectrum Diagnosis have at least one other health condition.
(Reference: National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Key Findings from the 2009/10 NS-CSHCN & 2007 NSCH. Found at http://childhealthdata.org/docs/drc/asd-data-brief_4.2.12.pdf). (Enclosed handout)

Two papers below report evidence-based research about the medical care costs of children with ASDs who have co-occurring conditions.
J Dev Behav Pediatr. 2012 Jan;33(1):2-8. doi: 10.1097/DBP.0b013e31823969de.

Autism spectrum disorders and health care expenditures: the effects of co-occurring conditions.
Peacock G, Amendah D, Ouyang L, Grosse SD. (enclosed handout)

96% of 3 – 17 year old children with ASDs were reported to have a co-occurring developmental condition. The most common conditions were learning disability, ADD/ADHD, mental retardation, and stuttering. Medical disorders, included: tuberous sclerosis, Down Syndrome, Fragile X, other genetic or chromosomal disorders, and birth defects) and neurologic disorders (e.g., encephalopathy, cerebral palsy, seizures or epilepsy, brain injury, vision or hearing loss, tics or Tourette syndrome).

The National Survey on Children with Special Health Care Needs documentation also sites that children with ASDs have higher medical costs. As such, they would benefit from expanded Medicaid waiver services.

These children have medical needs and costs that will continue beyond the age of 5, which is the age our current Autism Waiver ends. Children not only need the supports in the waiver, they also need the supports that they can access through the Waiver in the Medicaid State Plan. These services pay for therapies, PT, OT, Speech, medication, nutrition, hospital and clinic services, Additionally, those who are on the current Autism waiver receive the federally mandated Early Periodic Screening Diagnostics and Treatment benefit.

Many of the children currently on the Autism Waiver will be exiting soon, if they have not already due to the age requirement. Many of those who have and will be exiting .....Their child's needs have not changed, and yet some may not screen eligible for other waivered services such as the DD waiver.

Those who have exited have lost vital services that they will not find the assistance needed neither through the voucher nor through their private insurance plans. For an example, they may have access to a toothbrush etc to meet the child's oral needs through the voucher. Because they have now been dropped of the waiver, they have lost the ability to access oral care by means of accessing a dentist. Additionally, the family may be unable to afford the oral health expense they will incur through personal funds as they are drowning in ongoing medical expenses for the child/youth.

Many families will continue to need the in home support and respite care, and no longer have a means to receive that needed care. These families will fall into a huge gap of services that they were able to access previously. Families lose the vital medical services through the state Medicaid plan, which they can only access if they are income eligible for Medicaid or are able to access through another waiver. For many families access to those vital core services is keeping their child healthy, sustainable and afloat.

FVND fully believes the expansion of the ASD Medicaid Waiver is vital.

Since the waiver was implemented not that long ago, for those who began with initial implementation, their child has aged out or soon will be. The current ASD waiver ends for children at age 5, unfortunately ASD does not end at age 5.

There are also some families who will not receive a diagnosis for their child until they have almost aged out of accessing the current waiver. For those children who receive a diagnosis after the age of 5, many will need the vital services of the waiver and the Medicaid state plan.

Yet there may be some who will only need the services that are offered through the voucher. Hence we believe a two pronged approach is needed.

91.6 percent of children and youth with ASD have 4 or more functional limitations as compared with children with special health care needs in general. Less than 50% of families who have a child with ASD have the adequate health insurance for needed services. Many of these families are underinsured and need assistance to meet the needs of their child.

CSHCN (Children with special health care needs) with ASD generally experience a greater burden of illness in terms of types of special health care needs they have as well as the number of functional limitations and co-morbid conditions they experience compared to CSHCN without ASD. The impact for these families is greater as compared to those CSHCN without ASD diagnoses.

You have heard the many statistics on costs associated for families of children with ASD. To often these children don't fit into any one criterion. The autism waiver expansion beyond the age of 5 would assist many families who fall in the gaps of obtaining services and children maintaining good health and advancing to the best of there ability.

Waiver services also provide an additional funding stream for the state.

North Dakota receives 52.27% FMAP for Medicaid services, including waiver services. Keeping the existing waiver or expanding it will generate $1.095 in federal funds for each $1 that ND spends.

Clarification from the federal Department of Education also states that North Dakota schools, participating in the school-based Medicaid program would be eligible to receive the federal match for Medicaid-eligible services they provide to any Medicaid eligible child including those Medicaid-eligible children with ASDs.

FVND suggests expanding the waiver to meet the ongoing needs of these children, youth and families. At minimum we would like to see the waiver expanded for those who will age out at 5.

Additionally, for those who have yet to be diagnosed at the age of 5 and need the additional assistance that they can only achieve through a program such as the autism waiver.

Let us remember as each of us makes decisions that will affect children—whether we are parents, educators, health professionals, or government officials—it is our duty to consider if that decision either affirms or denies a child's most basic human rights.

We thank you for your consideration.

Donene Feist
FVND Director
701-493-2634

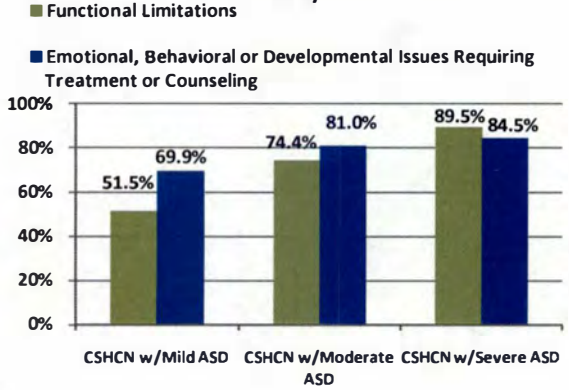
3-13-13 AM
HB1012- 55

National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Key Findings from the 2009/10 NS-CSHCN & 2007 NSCH

Who Are Children with Autism Spectrum Disorders?

According to the Centers for Disease Control and Prevention (CDC), "Autism Spectrum Disorders (ASDs) are a group of developmental disabilities that can cause significant social, communication and behavioral challenges. ... ASDs are 'spectrum disorders.' That means ASDs affect each person in different ways, and can range from very mild to severe."[1] Consequently, nearly all children with ASD qualify as children with special health care needs (CSHCN), because they experience at least one type of ongoing condition that results in an above routine need for health and related services.[2] The CSHCN Screener, which operationalizes this definition, was used in both the 2007 National Survey of Children's Health (NSCH) and 2009/10 National Survey of Children with Special Health Care Needs (NS-CSHCN) to identify CSHCN. Based on findings from the 2007 NSCH and 2009/10 NS-CSHCN, **4.8%** to **7.9%** of U.S. CSHCN age 2-17 years had current ASD*. Among CSHCN age 2-17 years, prevalence of ASD ranges across states from 4.5% in Mississippi to 14.3% in New Jersey according to data from the 2009/10 NS-CSHCN.

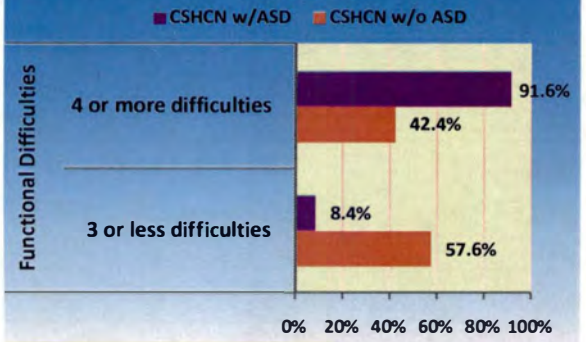
Figure 1. Prevalence of Functional Limitations and Emotional, Behavioral or Developmental Issues among CSHCN with ASD by ASD Severity



Data Source: 2009/10 NS-CSHCN

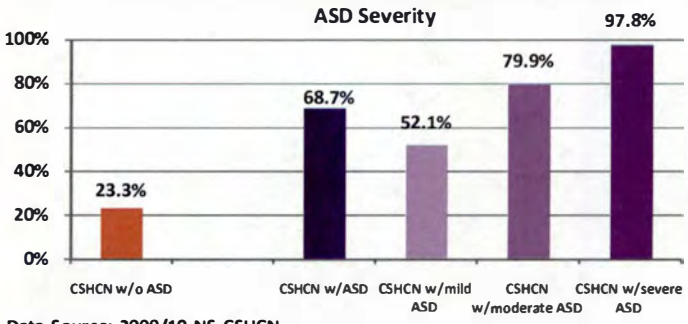
Four in five (80.6%) CSHCN with ASD are boys, and 71.6% of CSHCN with ASD were diagnosed between 0 – 5 years of age. Among CSHCN with ASD, parents described approximately half (49.5%) as having mild ASD, 36.2% as having moderate ASD and 14.3% as having severe ASD. Positivity bias in parent reports of child functioning may lessen the severity of conditions described.[3] A larger proportion of CSHCN with moderate or severe ASD experience functional limitations in their ability to do things that other children their age can do and/or emotional, behavioral or developmental (EBD) issues requiring treatment or counseling compared to CSHCN with mild ASD (Figure 1). While 65% of CSHCN with ASD experience functional limitations along with any other type of special health care need, 91.6% of CSHCN with ASD experience four or more functional difficulties from the list of 14 specific difficulties related to bodily functions, activities or participation, and emotional or behavioral factors asked about in the 2009/10 NS-CSHCN (Figure 2). Only a subset of functional difficulties lead to functional limitations. Most CSHCN with ASD (93.2%) additionally have at least one other condition from the list of 20 conditions asked about in the 2009/10 NS-CSHCN.

Figure 2. Prevalence of Functional Difficulties among CSHCN with ASD Compared to CSHCN without ASD



Data Source: 2009/10 NS-CSHCN

Figure 3. Daily Activities Consistently Affected among CSHCN without ASD Compared to CSHCN with ASD and by ASD Severity



Data Source: 2009/10 NS-CSHCN

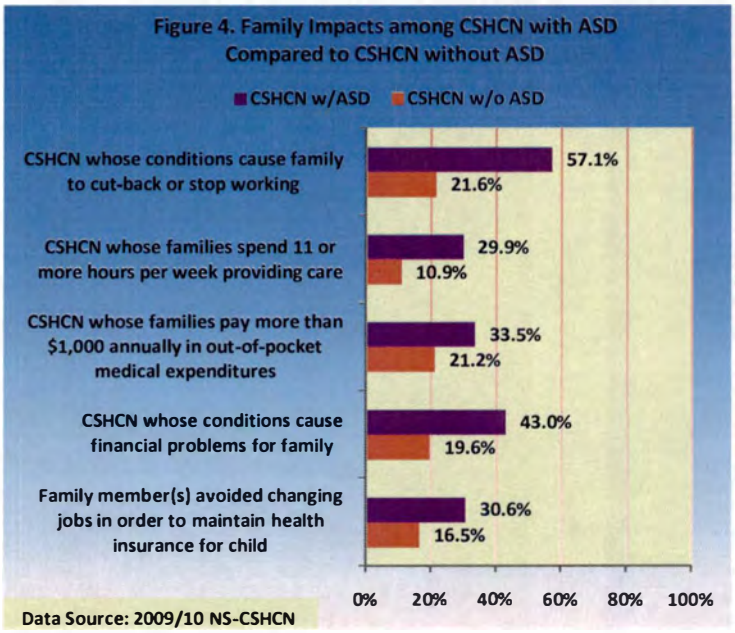
CSHCN with ASD experience complex health care needs that may influence their overall health status and daily activities. Based on 2007 NSCH data, a lower proportion of CSHCN with ASD (54.6%) were reported by their parents to have excellent or very good overall health status compared to CSHCN without ASD (70.3%) and non-CSHCN (87.4%). Further, in the 2009/10 NS-CSHCN, over two-thirds (68.7%) of CSHCN with ASD had health conditions that consistently affected their activities, often a great deal, compared to only 23.3% of CSHCN without ASD (Figure 3). Among CSHCN with severe ASD, 97.8% had conditions that consistently affected their daily activities, often a great deal, relative to 79.9% of CSHCN with moderate ASD and 52.1% of CSHCN with mild ASD.

*Variations in sampling and administration between the 2009/10 NS-CSHCN and 2007 NSCH lead to expected variations in prevalence.

Suggested Citation: Child and Adolescent Health Measurement Initiative (2012). "National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Key Findings from the 2009/10 NS-CSHCN & 2007 NSCH." Data Resource Center, supported by Cooperative Agreement 1-U59-MC06980-01 from the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Maternal and Child Health Bureau (MCHB). Available at www.childhealthdata.org. Revised 4/2/12.

Impact on Families

Families of CSHCN with ASD are also impacted by their children's health care needs (Figure 4). Across all measures used to assess the impact of health system performance on families in the 2009/10 NS-CSHCN, a higher proportion CSHCN with ASD had families who were impacted by their children's special health care needs compared to families of CSHCN without ASD. Moreover, based on 2007 NSCH findings, over half (54.2%) of CSHCN with ASD had parents who reported feeling aggravated with their child once or more during the past month compared to CSHCN without ASD (18.6%) and non-CSHCN (8.2%) age 2-17 years. Parental stress varied by disease severity: 42.9% of CSHCN with mild ASD had parents who reported feeling aggravated with their child in the past month versus 63.7% of CSHCN with moderate or severe ASD.



System of Care Performance

The federal Maternal and Child Health Bureau (MCHB) assesses health system performance for CSHCN with six core outcomes (for more information on the core outcomes, please see the *System of Core for CSHCN* data brief on the DRC Web site). Table 1 displays how CSHCN with ASD compare to CSHCN without ASD on each of the six core outcomes based on 2009/10 NS-CSHCN data. Among CSHCN with ASD, only 7.4% met all age-relevant core outcomes compared to 18.7% of CSHCN without ASD.

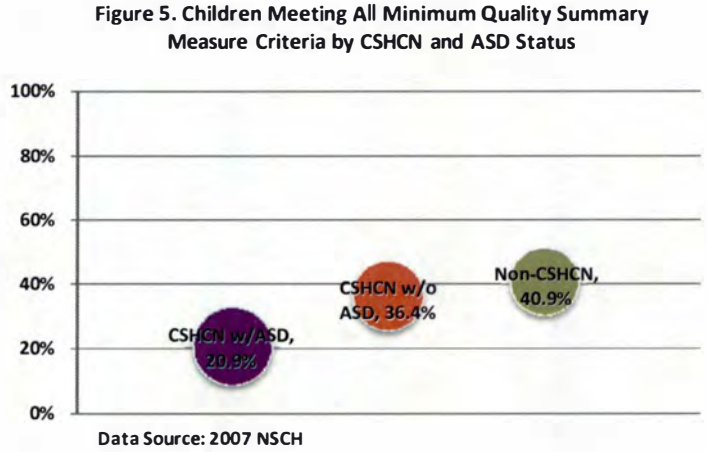
Table 1. Health System Performance by Core Outcome*

MCHB System of Care Core Outcomes	CSHCN w/ASD	CSHCN w/o ASD
Outcome #1: Families of CSHCN are partners in decision-making	56.7%	71.2%
Outcome #2: CSHCN receive care within a medical home	23.9%	44.7%
Outcome #3: CSHCN have adequate health insurance for needed services	49.4%	61.3%
Outcome #4: CSHCN are screened early and continuously for special health care needs	78.5%	80.2%
Outcome #5: Community-based service systems are easy for families of CSHCN to use	42.8%	67.1%
Outcome #6: Youth with special health care needs receive transition to adulthood services	21.1%	41.4%

*Data Source: 2009/10 NS-CSHCN

Minimum Quality of Care

A minimum quality of care summary measure was derived from the following three measures of health system performance in the 2007 NSCH: (1) adequate health insurance coverage; (2) receipt of coordinated, ongoing, comprehensive care within a medical home; and (3) had at least one preventive medical visit in the past 12 months. Only one in five (20.9%) CSHCN with ASD met the quality of care summary measure criteria, a lower proportion compared to CSHCN without ASD and non-CSHCN age 2-17 years (Figure 5). Among CSHCN with moderate or severe ASD, an even smaller proportion (12.9%) met the minimum quality of care summary measure criteria according to 2007 NSCH data.

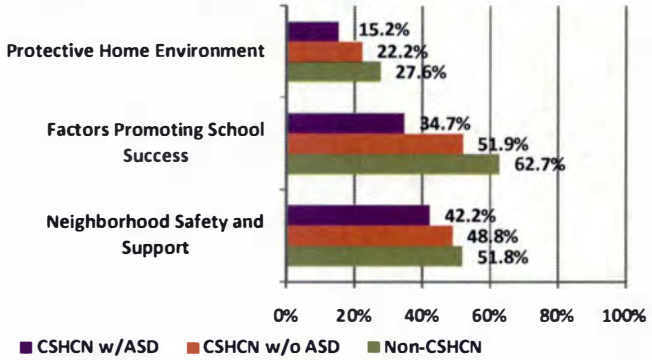


Suggested Citation: Child and Adolescent Health Measurement Initiative (2012). "National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Key Findings from the 2009/10 NS-CSHCN & 2007 NSCH." Data Resource Center, supported by Cooperative Agreement 1-U59-MC06980-01 from the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Maternal and Child Health Bureau (MCHB). Available at www.childhealthdata.org. Revised 4/2/12.

Home, School and Neighborhood Environments

The health and well-being of each child is influenced by his or her interconnected home, school and neighborhood environments. Contextual factors from these environments and other child level factors may interact during certain periods of a child's lifespan ultimately promoting resiliency and healthy development or increasing risk for adverse health outcomes. Together, several summary measures from the 2007 NSCH provide a more comprehensive picture of how CSHCN, including those with ASD, compare to non-CSHCN in terms of their home, school and neighborhood environments.

Figure 6. Proportion of CSHCN with ASD Meeting Protective Home, Factors Promoting School Success and Neighborhood Summary Measure Criteria Compared to CSHCN without ASD and Non-CSHCN



Data Source: 2007 NSCH

Takeaways

- CSHCN with ASD generally experience a greater burden of illness in terms of the types of special health care needs they have as well as the number of functional difficulties and comorbid conditions they experience compared to CSHCN without ASD.
- The impact on families of CSHCN with ASD is greater than that experienced by families of CSHCN without ASD.
- CSHCN with ASD are less likely to meet each system of care core outcome and all age-relevant core outcomes compared to CSHCN without ASD.
- CSHCN with ASD are also less likely to experience a protective home environment, factors promoting school success and neighborhood safety and support compared to CSHCN without ASD and non-CSHCN.
- **System-wide improvements are needed to enhance the health and well-being of CSHCN with ASD.**

CSHCN with ASD were less likely to meet age-relevant criteria for a protective home environment[a] compared to CSHCN without ASD and non-CSHCN (Figure 6). CSHCN with ASD age 6-17 years were also less likely to experience factors promoting school success[b] than school-age CSHCN without ASD and non-CSHCN. On the neighborhood safety and support summary measure[c], CSHCN with ASD were less likely than CSHCN without ASD and non-CSHCN to meet all age-relevant criteria.

Protective Home, Factors Promoting School Success and Neighborhood Safety and Support Summary Measures Criteria

[a]**Protective home environment** was measured using the following age-relevant criteria: (1) no exposure to household smoking; (2) family shares meals on four or more days per week; (3) children watch less than two hours of television per day (age 1-17); (4a) children are read/sung to every day (age 0-5); (4b) children have no television in bedroom (age 6-17); (5a) children were breastfed ever (age 0-5); (5b) children usually/always do required homework (age 6-17); and (6b) parents of children have met most/all of child's friends (age 6-17).

[b]**Factors promoting school success** were measured only among children age 6-17 years using the following criteria: (1) children were usually/always engaged in school; (2) children participated in extracurricular activities; and (3) usually/always felt safe at school.

[c]**Neighborhood safety and support** were measured using the following age-relevant criteria: (1) neighborhood is usually/always safe; (2) neighborhood is supportive; (3) neighborhood includes three or more amenities essential to childhood; and (4) school-age children attend safe schools (age 6-17).

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Suggested Citation: Child and Adolescent Health Measurement Initiative (2012). "National Profile of Children with Special Health Care Needs and Autism Spectrum Disorders: Key Findings from the 2009/10 NS-CSHCN & 2007 NSCH." Data Resource Center, supported by Cooperative Agreement 1-U59-MC06980-01 from the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Maternal and Child Health Bureau (MCHB). Available at www.childhealthdata.org. Revised 4/2/12.

3-13-13 AM
HB 1012 #56

PubMed 22157409[uid]

Display Settings: Abstract

J Dev Behav Pediatr. 2012 Jan;33(1):2-8. doi: 10.1097/DBP.0b013e31823969de.

Autism spectrum disorders and health care expenditures: the effects of co-occurring conditions.

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Abstract

OBJECTIVE: Children with autism spectrum disorders (ASDs) often have co-occurring conditions, but little is known on the effect of those conditions on their medical care cost. Medical expenditures attributable to ASDs among Medicaid-enrolled children were calculated, and the effects of 3 commonly co-occurring conditions--intellectual disability (ID), attention deficit/hyperactivity disorder (ADHD), and epilepsy-on those expenditures were analyzed.

METHODS: Using MarketScan Medicaid Multi-State Databases (2003-2005) and the International Classification of Disease, Ninth Revision, children with ASD were identified. Children without ASD formed the comparison group. The 3 co-occurring conditions were identified among both the ASD and the comparison groups. Annual mean, median, and 95th percentile of total expenditures were calculated for children with ASD and the co-occurring conditions and compared with those of children without ASD. Multivariate analyses established the influence of each of those co-occurring conditions on the average expenditures for children with and without ASD.

RESULTS: In 2005, 47% of children with ASD had at least 1 selected co-occurring condition; attention deficit/hyperactivity disorder was the most common, at 30%. The mean medical expenditures for children with ASD were 6 times higher than those of the comparison group. Children with ASD and ID incurred expenditures 2.7 times higher than did children with ASD and no co-occurring condition.

CONCLUSION: Medicaid-enrolled children with ASD incurred higher medical costs than did Medicaid-enrolled children without ASD. Among Medicaid-enrolled children with ASD, cost varied substantially based on the presence of another neurodevelopmental disorder. In particular, children with ID had much higher costs than did other children with ASD.

PMID: **22157409** [PubMed - indexed for MEDLINE]

Publication Types, MeSH Terms

LinkOut - more resources

HB 1012 3-13-13-Am #57

Testimony

HB 1012

Regarding Refocus and Expansion of Autism Waiver

House Human Service Committee

Chairman Senator Holmberg and Members of Senate Appropriations:

My name is Toby Cherney and I am the parent of a wonderful little boy named Alexander. Alexander has autism. He turned five years old on January 26th, 2013. He is no longer eligible for the Autism waiver that exists in the state of ND right now which has caused regression and difficulty within our family life. I feel very strongly that the ND Autism Wavier needs to be expanded and refocused for those specific reasons.

Alexander was the first child on the Autism Waiver and even with its glitches it was still better than what we have now, minimal services at the Anne Carlson Center, but have lost in-home supports, respite and access to Medicaid. Alexanders' therapies, in-home supports, opportunites for equipment and supplies that would assist him to be independent, and certain environmental changes adapting social skills,opprotunites for in-home supports and respite. Are no longer available.

Ever since my son was diagnosed when he was 2 ½ it has been a constant battle to get help. We have fought and kicked and screamed and sent emails to get help for our son. The only way we found out about what services were available was from Family Voices and other parents. Once we found some help, it was quickly gone in

a very short period of time. Alexander turned 5 and services stopped, he did not qualify for the traditional developmental disability waiver as his substantial functional limitations did not meet their criteria, I feel that they should spend a day with our family and see what we really live through each and every day .. The amount of time a child may be on the wavier is too short to gain progress, to access therapies for speech and occupational therapy, to allow in-home supports to help Alexander and help our family thrive as community members. Early Intervention supports families who have children birth to 3 so very few would be on autism wavier before age 3.Alexander receives speech and physical therapy and in home supports thru the Anne Carlson Center. It is so important for him to continue these services while he is still young to help him continue on the path of independence. I believe and hope you would agree that early intervention is the key. Right now we are dealing with regressions already. His behaviors have changed dramatically. He will not sleep in his own bed anymore and has to sleep on the floor next to our bed to know where I am at because he has a fear of me leaving and not coming back and this comes from the loss of his respite care. He is waking up every couple of hours just to check where I am. He is backsliding in preschool due to lack of energy from being tired. He is more aggressive now. Functioning on 4-5 hours of interrupted sleep every night is taking its toll. I can't afford to lose my job. My husband and I have not had an evening alone since the loss of the respite care and the constant stress of fighting to get our son help and fighting the behaviors is taking its toll on our marriage. I also have 2 other children that I have missed activities for that we can no longer attend due to the fact that Alexander cannot tolerate being in the crowd situations.

Alexander has co-existing medical needs along with his autism. The need to have a Medicaid waiver is critical for Alexander and my family.

Hearing comments such as "It's not our responsibility to take care of your son after he turns five, it is the schools." Is very disturbing to hear. My son has autism, a neurobiological disorder, he has medical concerns each and everyday. As parents, we look to you for guidance.. We are looking to you for understanding and compassion. Parents are looking for ways to help our children. We are not asking for handouts, we are looking for assistance so that our children can become independent and productive community members. To do that our family needs to be whole and we need the help of others to achieve this. We need the waiver

expanded, the age group that it covers is wrong for ND, we have an early intervention program that can help our youngest of children from birth to 3, now help our children from 3 to life. Remember autism is a life-long disability.... We need Behavioral intervention and therapies. We as a state need to increase the access to the professional staff in the area of behavioral issues and concerns. We need ways to help parents access training so that we do can continue to help our children on the autism spectrum. As a parent, I have had a constant struggle to get help for our son, but an Autism Waiver that is designed for the consumer will work. There are families in ND that a year without services will make a huge difference in the progress made by our children. Just ending services and expects that there will not be any regression and a setback to the progress that has been made is being unrealistic. alas parents we will have to start the process all over again from step one.

I would like to see and Autism Coordinator in the state that has knowledge of autism and not someone just put in that role, someone with hands on experience for persons with autism... To hold stakeholder meetings with parents and professionals at the table. The professionals need to hear parentsamd self-advocates as we live autism 24-7 everyday. To be able to uinderstand the emotionally roller coaster families have and how that effects the whole family.. To better understand how to help our children the need to have co-training, stakeholder meetings and knowledge of the autism spectrum disorders and how it effects the child, family life and the future is a necessity. They need to walk in our shoes, spend a day with our children.

I am asking this committee as a parent and as a mother, as a community member to please address autism in our state, and please pass a comprehensive autism bill that will work for families, a new and improved autism waiver for families.

Please help my son as I am trying to help him..

Thank you for your time:

Toby Cherney, Mother to Alexander Cherney

Email address: chernfamily5@centurylink.net

Phone number 701-320-3104

HB 1012
3-13-13-Am
#58

Testimony

Concerning Expansion and Refocusing of the ND Autism Waiver

Chairman Senator Holmberg

Senate Appropriations Committee

March 13th, 2012

Hello. My name is Vicki Peterson; I am a single mother of a child with autism and a Family Consultant for Family Voices of ND. As a parent I live with autism every day, as a consultant I work with families across the state with autism spectrum disorders (***will refer to as ASD).***

I am here today to request that an amendment be made to 1012 for expanding and refocusing the current autism waiver. The current wavier has been a good start but needs to be refocused to meet more of the needs of the consumer, persons with autism. Currently in the autism wavier behavioral treatment is excluded. Behavioral treatment is the number one concern I hear from families. Behavioral Interventions are an established treatment for ASD and I attached once again the ***National Standards Report (2009***) that outlines evidenced based and promising practices. Environmental Modifications in the current autism wavier may meet needs for physical deficit but this is not typically a cored deficit for person with autism. Respite and In-home Supports are very high needs for families to meet daily living demands. Lack of respite has been cited as a major reason for the high rate of divorce among families who have children with autism which is in the **80% range** *(Bolman, 2006).* **In-home supports support the primary caregiver, allowing the rest of the family to live as much like other families as possible with the intent of preventing or delaying out of home placement.** ***(Defined as ND DHS Developmental Disabilities Service Policies and Procedures Manual*)**. **These two services are frequently identified as a primary need for families. We must assure families these services will stay intact to support the daily and community routines.**

The current age criteria for the autism wavier is birth up to age 5. Many children may be accessing the Infant Development Program in the state up until the child's 3rd birthday. No specific diagnosis is needed for this program and the program looks at developmental delays for eligibility. Most children that have accessed the autism wavier have been age 3 and 4 and had very little time to receive the services available to their child. Expanding the current wavier to up to age 22, will be aligned with the current educational services for those in school that access special education and would allow for those critical transition years.

I would like to take this time to read a brief family story from a parent whose child accessed the current autism wavier and has also graduated from the wavier.

Thank you for your time and attention to Autism Spectrum Disorders.

Vicki L Peterson

vickiasdc@bis.midco.net

701-258-2237

National Autism Center's National Standards Report Reference Sheet for Established, Emerging, & Unestablished Interventions for Autism Spectrum Disorders (2009)
From: http://www.nationalautismcenter.org/pdf/NAC%20Standards%20Report.pdf

Type of Intervention	Ages	Diagnostic Classification (Autistic Disorder (AD), Aspergers Syndrome (AS), Pervasive Developmental Disorder- Not Otherwise Specified (PDD-NOS)
Established Treatments		
Antecedent Package	3-18	AD
Behavioral Package	0-21	AD; PDD-NOS
Comprehensive Behavioral Treatment for Young Children	0-9	AD; PDD-NOS
Joint Attention Intervention	0-5	AD; PDD-NOS
Modeling	3-18	AD; AS; PDD-NOS
Naturalistic Teaching Strategies	0-9	AD; PDD-NOS
Peer Training Package	3-14	AD; PDD-NOS
Pivotal Response Treatment	3-9	AD
Schedules	3-14	AD
Self-management	3-18	AD
Story-based Intervention Package	6-14	AD; AS
Emerging Treatments		
Augmentative and Alternative Communication Device	3-9	AD
Cognitive Behavioral Intervention Package	6-18	AD; AS
Developmental Relationship-based Treatment	0-5	AD; PDD-NOS
Exercise	3-14	AD
Exposure Package	3-5	AD
Imitation-based Interaction	0-14	AD
Initiation Training	6-14	AD; AS; PDD-NOS
Language Training (Production)	3-9	AD
Massage/Touch Therapy	3-5	AD
Multi-component Package	0-9	AD; AS; PDD-NOS
Music Therapy	N/A	AD
Peer-mediated Instructional Arrangement	6-9	AD
Picture Exchange Communication System	0-9	AD; PDD-NOS
Reductive Package	N/A	AD
Scripting	6-14	AD
Sign Instruction	3-9	AD
Social Communication Intervention	0-5	AD
Social Skills Package	3-18	AD; AS; PDD-NOS
Structured Teaching	0-18	AD; PDD-NOS
Technology-based Treatment	6-14	AD
Theory of Mind Training	6-14	AD; AS

Unestablished Treatments		
Academic Interventions	N/A	N/A
Auditory Integration Training	N/A	N/A
Facilitated Communication	N/A	N/A
Gluten- and Casein-Free Diet	N/A	N/A
Sensory Integrative Package	N/A	N/A

HB 1012a 3-13-13 Am #59

Testimony

DHS Budget

Concerning Expansion and Refocusing of Medicaid Autism Waiver

Chairman Senator Holmberg

Senate Appropriations Committee

March 13th, 2012

My name is Renee Hardy. I have 3 wonderful children each with different abilities and needs. My daughter age 8 years has epilepsy. My sons age 10 years and 6 years both have autism. Today I am writing to you in regard to my sons.

My son Nathan (age 10) is a 4th grader. He has Autism and Sensory Processing Disorder. He struggles with social skills, eating, clothing, emotions and obsessive compulsive behaviors. He is a very sensitive child and has begun to notice that he is different from his classmates. We work very hard with him to ensure his safety, happiness and to keep a positive self esteem. Although we received an early diagnosis at the age of 2 years for Nathan, he has always been considered ineligible for services for a multitude of reasons.

My son Ryan (age 6) is a kindergartener. He also has an autism diagnosis. His diagnosis was a bit easier to obtain due to the family history and my very aggressive approach to early intervention. There are a lot of similarities between the boys, except where Nathan is sensitive, Ryan is more aggressive. Ryan seems to struggle more in comprehending how the world around him works.

Both the boys have been in speech and occupational therapy since the age of 18 months. Nathan is lucky enough to have an occupational therapist that believes as I do that we need to keep working on his food aversions and works weekly on food therapy.

In 2011 Ryan qualified to be on the autism waiver. This was a grueling process for our family but I was excited about the possibilities of help it could bring him. Again, Nathan did not qualify this time due to age. I believed this waiver would help with behaviors and in home supports, I looked forward to positive changes. For Ryan we were given a few pieces of equipment that remain helpful with communication and motor movement. It was very disappointing to me that behavioral interventions and treatments were not an option for my sons on the Medicaid Autism Waiver. This was my number one reason for needing the waiver. If behavior intervention was available it would help my sons with social communication and could ensure a better quality of life. There is a need for professionals trained in behavioral treatments in this area. There is no trained professionals in behaviors treatments locally. It is nonexistent in the area where we live

in ND.

My children have worked tirelessly to help themselves navigate through some tough challenges. All three have twice weekly speech therapy and twice weekly occupational therapy after school. This has been ongoing since the age of 18 months. There are so many things for my children that I can not change, that are not within my control. The thought of not having the safety net of Medicaid is very frightening. Therapies in the school system while very necessary, only work off of what is considered "educational" in the school setting. Where would my children be without some of these services? I would never have been able to pay out of pocket expenses for therapies twice a week for all this time for three children. Medicaid provides access to dental care, specialists knowledgeable in treating seizure disorders, nutrition and nutrition counseling, gastrointestinal issues, pediatrician visits, immunizations, therapies including physical, occupational and speech and numerous other necessary appointments that children with autism need in order to grow and prosper. Respite care is also very important to our family. I am a single mother and daily tasks can be very difficult at times with my children. A trip to the grocery store with a child that cannot handle certain smells, lighting or all the different noises can be very challenging. It is not easy to find a trained individual who will care for your child. Daycares do not have the staffing to deal with children that require so much one on one care. I know that my children are safe with their respite person because she has the training, has taken time to get to know them and works with them in the way that they feel safe and cared for.

An Autism Waiver and proper legislation could open many doors for my family that have otherwise been closed. As a parent I want the best for my children. I want them to lead productive lives in a community that understands, loves and accepts them unconditionally. I want them to reach their highest potential and be happy individuals that are proud of themselves for who they are. I hope that the laws and legislation in the state of North Dakota will help them and children like them to achieve anything they put their minds too. With the right supports in place for our families I believe the sky is the limit .

Thank you.

Renee Hardy and family

HB 1012 3-13-13 AM #60

Testimony
Concerning Expansion and Refocusing of Medicaid Autism Waiver
Chairman Senator Ray Holmberg
Senate Appropriations Committee
March 13, 2013

Chairman Senator Holmberg and Members of the Senate Appropriations Committee:

My name is Mindy Iverson. I am a married, stay-at-home mother of two and have a degree in Elementary Education as well as Child Development. My son Jack is 5 ½ years old and was diagnosed with Autism in May of 2011. Here is our story.

On August 20, 2007, a 6 pound 5 ounce healthy baby boy was born. Jack was an easy baby. He slept through the night at 5 ½ weeks only waking up once a night the first five weeks, would eat and go right back to sleep. He was happy, alert and hit all the developmental milestones on time. At 18 months, we noticed a change in our little boy. He started throwing tantrums. We joked that he was so advanced he entered terrible two's early. His tantrums started with head banging. If you told him no or he thought you were going to tell him "no" he would throw his head into whatever was closest. The doctors assured me he wouldn't hurt himself and told me to ignore the behavior. This was hard to ignore when your child tries to hit his head onto a concrete driveway. We would later find out that with sensory integration issues Jack's body does not register feeling as it is happening. He doesn't get dizzy by spinning in a circle until he is ready to throw up, nor does his head immediately hurt if he hits it. Yet, doctors are still convinced he would not do it if it was hurting him. His tantrums also consisted of hitting me in the face. This occurred mostly during transitions. I noted it when we tried to take a parent/child gymnastics class and a parent/child music class. It is very hard as a parent to have everyone in the room look at you like you are bad parent because your child runs around screaming and when you try to calm him down he starts hitting you. I went through a period of time where I felt like a bad parent, because it seemed that was how everyone was looking at me. Shopping was a nightmare, my husband and I would go to a store and hope to get through it without a meltdown. We referred to it as being like a ticking time bomb; you never knew when it would go off.

In June 2010 I took Jack to a free speech screening. I had been concerned about his speech for a while and despite everyone telling me I had too high of expectations for my son I wanted to get a screening for peace of mind. During the screening, Jack threw one of his "typical" meltdowns. The person screening him asked if he does this often. I replied, "yes, terrible two's" with a smile. She then wanted to know if I had time to take him to an Occupational Therapist Screening. After the screening, we needed to have our doctor refer us to have him screened by their Occupational Therapy Department. Jack was diagnosed with Sensory Dysfunction and began Occupational Therapy. My husband and I went to the Internet and found out everything we could about Sensory Dysfunction and how we could better help our son.

Still unhappy about his speech, I kept pushing for Jack to begin Speech Therapy. At first he loved it. But as time went on we saw less and less progress. If he said 5 words in a 30 minute session, we were lucky. At OT I did not go in the room. I had frustration here too, when we asked about potty training it was not their position they said to help. Sensitivity to food was also an issue, we received no help. My understanding was that OT was to help them with life skills. Then the phone call came, Jack's OT and Speech Therapists were both on the line. They had finally ran into each other and visited about Jack's progress at therapy or lack thereof. I find it important to mention they share a receptionist and their rooms are on the same floor, in the same wing, very near each other. I did not want to hear what they had to say. My worst fear was that my son has Autism and they called to tell me they thought Jack needed to be seen by a Psychologist. They felt it was more than Sensory Dysfunction and the Psychologist could make that diagnosis.
We saw a psychologist three times. She confirmed my fear. My son has Autism. My new job was to be his advocate. I knew I needed to find a new place for Jack to receive therapy. My wish is that there would be a place he could play with other kids and get therapy. Jack loves playing with children. At that time he would ask daily to play with kids. I tried to put him in part-time daycare so he could play with other children but our area has limited daycare opportunities. In my searching, I found Red Door Pediatric Therapy and BECEP. With BECEP, we met with a team consisting of a Speech Therapist, Occupational Therapist, Special Education Teacher, and Psychologist.

I then found out about the Autism Waiver. So I began the application process, which I was warned could take a while. It was May 2011. Awhile, was ok with me. I figured in two months I would have him qualified and I could get intervention in the home to help me help my son. Months passed and we still had not heard anything. Jack turned 4 on August 20th. One can only be on the waiver until age 5. I made it through the summer without the support I was hoping for. I started to question if I should continue with the waiver. In October the team assigned to us finally came out to observe our son. They observed Jack, asked him questions, and thought we were doing great things for him. Three weeks passed and we still were not approved for the waiver. As Thanksgiving approached, I called our case manager's supervisor, our team's supervisor and still got no where. Everyone reassured me they felt bad for me and were still waiting on the OT's report from the Team that came to observe. I then called Family Voices, I had there brochure and just needed to know what I could do to light a fire under these people. When I explained everything to them, they gave me a name of one more person at Minot State University I could call, and luckily that person is someone I personally know. One more phone call and then the report finally was in the Monday morning after Thanksgiving. We officially were on the waiver Dec. 2011. Keep in mind this is 7 months after I turned in my paperwork. This is unacceptable. In ND we do not have many resources and the ones we have take entirely too long.

The Autism Waiver provided Jack with some new equipment in our home to go with the equipment I had previously purchased. All of them help him in different ways. We had intervention in the home to give us new ideas on certain issues. They helped me find programs for Jack to keep a routine schedule for the summer. We also had OT in the home once a week for the summer which taught me how to keep a Sensory Diet in place through the summer. I

also had Respite Care for Jack on the Autism Waiver. This was helpful if I had appointments or wanted to attend Educational Programs on topics to help Jack.

Early intervention is the key to helping children with Autism. I have now lost 1 year of intervention on the therapy we got at St. A's, and another 7 months waiting for intervention from the Autism Waiver. We need more resources, as well as doctors that can guide parents. Ideally, you should be able to go to a doctor and then be provided resources for medical treatment, homeopathic treatment, therapy services, and resources to use in the home and day-to-day life. It should not take two years for a person to find services for their child. I am thankful that I do live in Bismarck because I can't imagine those who live in small, rural communities in ND. The financial commitment is not something our family planned for. Having a child with Autism adds many expenses out of pocket for special diet, therapies and other added medical expenses. All the resources in the world do not do us a lot of good if we do not know about them or how to access them. This is how the State Coordinator will help families.

As an individual with an education background I feel it is important to add, teachers need more training when it comes to Autism. With the statistics that are out there, teachers are going to have children with autism in their classroom. They need to be provided with tools on the best ways help these children succeed. I have always advocated that every child learns differently.

Programs in our community also need to be trained on how to work with children with Autism. I enrolled Jack in a community dance program and by the second day he was released from the program because the teacher was not comfortable with my son in her class, even though I had given them tools to help Jack in a group community setting. I offered to go with Jack in the dance room. They had a closed-door policy so that was not allowed. Jack was sad. I was devastated. Cross-training between professionals and parents and community partners is needed across the state. I believe with the passing of this bill, it will be a start.

If I could add one more thing I would want you to consider the siblings. We have to consider how Autism affects the sibling. I mentioned I am a mother of two. My daughter is 2, however most people wouldn't guess that. She is two and already missed out on parts of childhood. If Jack has a meltdown she is expected to walk beside me to the vehicle so I can safely carry Jack. She does not get to be in gymnastics, dance, or other programs because if I do not have someone to watch Jack I cannot take her. I know he will not just sit on the side and watch like other siblings. Her whole life has been taking a backseat to her brother because he has Autism. Families need adequate resources and respite to keep families whole.

Jack is a cute little boy, he has a smile that charms you and eyes that sparkle. He loves to joke with people and get a laugh. My ultimate goal for Jack is to be happy, accepted in the community and to become an independent community member. Jack is no longer receiving services on the Autism Waiver. From the time the waviered services started for Jack until they ended was not a sufficient amount of time to have. Our allotted OT sessions covered by insurance continue to be cut. The cost to continue Jack's Occupational Therapy is above our means and could very soon be terminated. If a wavier were in place for Jack right now that service could be achieved which is critical for Jack to become an independent and vital part of our community as he grows. My husband and I will continue to find the resources we can to

provide the best opportunities for our son. It is hard to navigate without a go to person that knows the services that are available.

In conclusion, we need the support of bill 2193 to continue to help Jack, He deserves the opportunity for quality of life.

Thank you for listening to our story. We look forward to seeing and using the improvements implemented. I would be happy to answer any questions.

Mindy M. Iverson

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HB 1012
3-13-13 AM #61

Senate Appropriations
Hearing on HB 1012
Chairman Ray Holmberg
March 13, 2013

Chairman Holmberg and Members of the Senate Appropriations Committee:

My name is Roxane Romanick and I appear before you today in my capacity as Board President of Designer Genes of North Dakota and as myself. I live in District 37. I am here to ask you to reinstate $350,000 for North Dakota's Infant Development program that was removed in the House just a short time ago. Designer Genes is a Down syndrome support organization consisting of 200 individuals with Down syndrome and families from across the state of North Dakota (www.designergenesnd.com).

Infant Development is the major service delivery component for the North Dakota Early Intervention system. Close to 1000 families at any given point in time are using this services. Many families across the state of North Dakota are benefitting from this service just like my family did over 10 years ago. Just in Region VII (Bismarck-Mandan area), there are 10 babies with Down syndrome that are receiving services. Yesterday I testified on HB 1305 regarding criminal penalties for physicians that perform abortions in cases of genetic abnormalities. I encourgaed the Senate Judiciary Committee to think about the reasons people make those choices. One of the top reasons they do so is because they don't know if they can support a child with a disability. I encouraged the committee to make sure that we have a strong system of supports in North Dakota, so that we can alleviate those worries for parents who have a prenatal diagnosis of Down syndrome and other disabilities. Reinstating the $350,000 is one way to assure that will happen.

This is my daughter Elizabeth:
I wish I could take a whole bunch of strings and tie them to the Early Intervention services that we received and then pull them over to the skills and opportunities that she has today. Things like her ability to talk about having Down syndrome in 10 word complex sentences and connect that to the sign language that we learned when she was one. Things like her ability to maneuver the halls of Horizon Middle School without the assistance of an instructional aide to the conversations I had with her early interventionist about making her independent in dressing. Things like the stability of our family today to the financial, emotional, and informational supports we received that first year of her life when she had 3 hospitalizations (one of them in Texas).

I don't know why the House cut out the $350,000. I have heard the reason was because this was money the governor put in for growth. Yesterday's Bismarck Tribune talked about the fact that Bismarck Public Schools is planning for over 1000 Kindergarten students. We continue to see growth in our state particularly in the western region. In the northwest corner of the state, Early Intervention services struggles to retain, recruit, and hire staff just like every other service industry. I believe that we can count on growth.

Please know that this program supporting infants and toddlers with disabilities is one of your most valuable services in the state and reinstate the $350,000. In addition, if you choose to make this decision, please work hard to retain the money when HB 1012 goes into Conference Committee.

I would be happy to respond to any questions that you may have.

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#62
3-13-13 Am

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services. I am here today to provide you an overview of the eight regional human service centers (HSCs) for the Department of Human Services (DHS).

Human Service Centers:

This area of the budget includes the eight regional HSCs, one in each of the geographical regions of the state.

The HSCs are a network of public outpatient clinics that serve individuals who, because of mental illness, addiction, or disability are at risk of harm or institutional placement. Their mission is to provide services that are accessible at the most appropriate and cost-effective level of care. The HSCs provide community safety net services for the state's most vulnerable citizens. The exact service mix is determined by specific needs of consumers in the region, resources of the HSCs, as well as other resources available within the region from private and other public providers. The DHS places a high value on alignment across the regions, operating as one system that shares resources as needs and demands shift.

Each HSC provides common core services as prescribed by DHS policy. Core services at the regional HSCs include the following:

- Aging Services
- Developmental Disabilities
- Vocational Rehabilitation
- Child Welfare Services
- Children's Mental Health
- Serious Mental Illness (Extended Care Coordination)
- Acute Clinical Services
- Substance Abuse Services
- Outpatient Sex Offender Treatment
- Crisis/Emergency Response Services

Services are provided within the clinic setting, rural outreach centers, client homes, or other community settings, and include 24-hour emergency services as well as follow-up services. The HSCs are also responsible for program supervision and regulatory oversight of the Child Welfare services provided by county social services.

Telemedicine and telepharmacy services are being provided in several rural areas of the state to improve client access, and the expansion of this capability is allowing the DHS more flexible use of medical staff resources across the state.

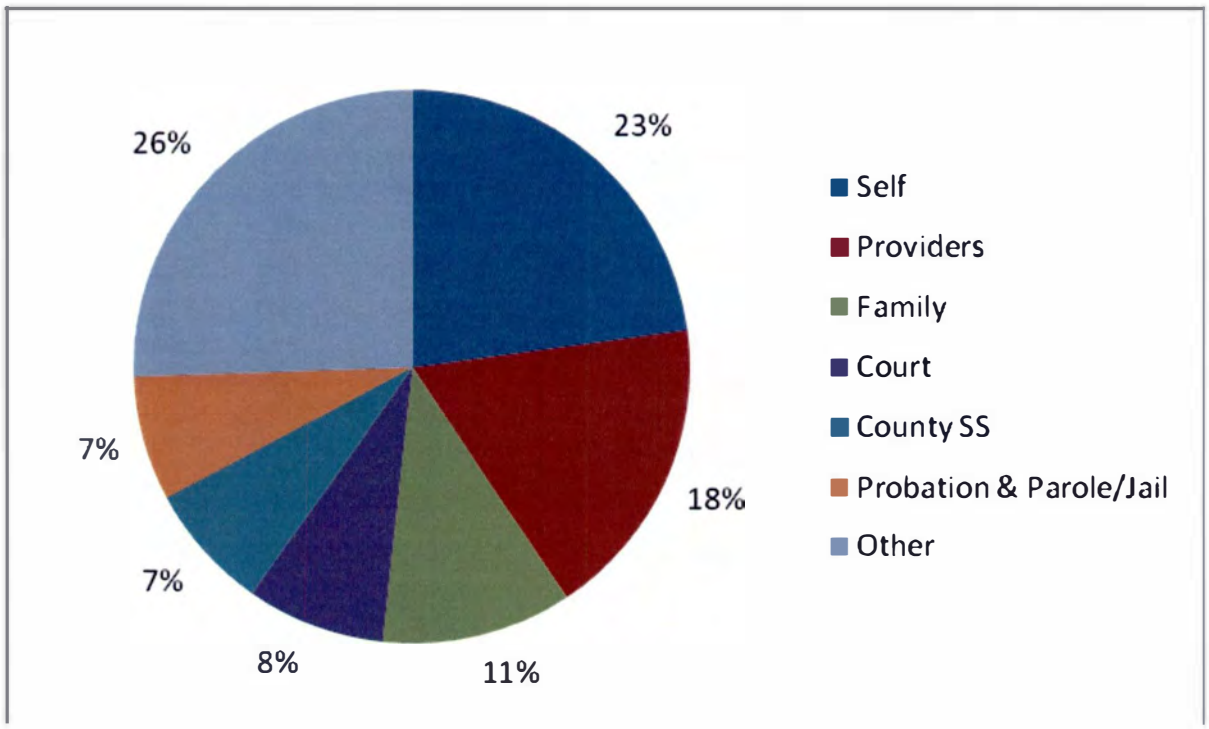
Caseload/Customer Base:

- The overall increase in clients, excluding Vocational Rehabilitation (VR), served at the regional HSCs from state fiscal year (SFY) 2008 through state fiscal year (SFY) 2011

grew by 2,690 clients. The HSCS saw a slight decrease of 541 clients from SFY 2011 to SFY 2012.

- In SFY 2012, approximately 23% of clients served were children and 77% were adults.

- Referral to HSC services came from the following in SFY 2012:



Program Trends/Major Program Changes:

- The DHS continues to monitor caseload trends and the impact on employees in the North Central, Northwest and Badlands regions of the state because of oil activity.

- The Southeast region is seeing an increased demand for services for individuals with intellectual disabilities, for partnership services

for children's mental health, and case management services for individuals with serious mental illness.

- DHS is adding 16 geriatric-psychiatric beds at the Prince of Peace Skilled Nursing Center in Ellendale to address the continued growth in this caseload. The Department will then have 32 beds at the Sheyenne Care Center and 16 beds at the Prince of Peace Center.

- DHS is piloting a Mobile Crisis Team in the Southeast region in a public/private partnership between DHS and Solutions Inc., to address crisis intervention needs in the region.

- DHS is contracting with Clay County's medical detoxification center to provide medical detoxification services for the Southeast region.

- DHS is addressing the needs of individuals with serious mental illness with a new and comprehensive case management system at the human service centers.

- DHS continues the roll out of the integrated dual disorder treatment program to the HSCs. The program is showing promising outcomes for people with chronic and persistent mental illness.

- DHS is continuing the funding of inpatient hospitalization contracts with private hospitals to serve individuals with serious mental illness from the HSCs.

The Field Services Executive Budget recommendation includes the following to address residential capacity issues:

- **Eight bed transitional living facility in the Devils Lake region:**

  This is a transition program for serious mentally ill individuals who need an intensive level of care, which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This service could also serve State Hospital patients and reduce hospital stays from this region.

- **Sixteen bed transitional living facility in the Southeast region:**

  This program would support individuals with serious mental illness and chronic addiction who need an intensive level of care which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care.

- **Crisis residential beds for serious mentally ill and chronically addicted clients in the West Central region:**

  The region has an increased need for short-term residential services and four additional beds are being requested to increase capacity from 10 beds to 14 beds. The region has people on the waiting list for these beds.

- **Long-Term Residential facility of 10 beds for clients with serious mental illness in the West Central region:**

  West Central's current eight bed long-term residential facility for individuals with serious mental illness is at 100% occupancy. There is typically a waiting list of seven clients. Some clients have been on a wait list for multiple years and have had prolonged stays at the region's transitional living facility as there are no other placement options. The plan is to contract for the additional 10 beds.

- **Expansion of the contract with St. Joseph's Hospital of Dickinson in the Badlands region for medical detoxification services:**

  The demand of the oil patch is increasing the utilization of this service.

Overview of Budget Changes – Human Service Centers Combined

Description	2011 – 2013 Budget	Increase / Decrease	2013 - 2015 Budget	House Changes	To Senate
HSCs / Institutions	163,277,043	12,355,801	175,632,844	(2,944,156)	172,688,688
General Funds	87,951,131	12,472,234	100,423,365	(2,219,156)	98,204,209
Federal Funds	67,368,735	(1,265,186)	66,103,549	(725,000)	65,378,549
Other Funds	7,957,177	1,148,753	9,105,930	-	9,105,930
Total	163,277,043	12,355,801	175,632,844	(2,944,156)	172,688,688
FTE	856.48	-	856.48	-	856.48

Budget Changes from Current Budget to the Executive Budget:

- $2.8 million in total funds, of which $2 million is general fund needed to fund the Governor's benefit package of health and retirement package for state employees.

- $3.4 million in total funds, of which $2.28 million is general fund needed to fund the employee increases approved by the last legislative assembly.

- An increase of $1.1 million to cover an underfunding of salaries from the 2011–2013 budget, all general fund.

- A decrease of $1.84 million to underfund the 2013–2015 pay plan, all general fund.

- An increase of $868,000, of which $760,000 is general fund, for temporary and permanent staff in the areas of Developmental Disabilities Program Management, Serious Mentally Ill Case Management and Partnerships at Southeast Human Service Center due to increased client services demand.

- An overall increase of $406,000 for rental payments, which includes the following items: an increase of $455,000 due to a substantial increase in the rental rate for the Northwest Human Service Center; an increase of $61,000 for an increase in the rental rate for the West Central Human Service Center; and a decrease of $110,000 for rental space for the North Central and Badlands Human Service Centers.

- An increase of $735,000, with $685,000 in general fund, for the continuation of the year two 3% inflationary increase for providers and the long-term residential facility for a full 24 months versus the 18 months included in the 2011-2013 budget.

- $1.7 million increase, with $1.6 million in general fund, to allow for a 4 % inflationary increase for contracted providers each year of the biennium.

- Addresses the following residential capacity issues in various regions across the state.

    - Provides for an eight bed Transitional Living Program for those who are seriously mentally ill in the Devils Lake region at a cost of $730,000, of which $401,000 is general fund.

    - Provides for a 16-bed Transitional Living Program for those who are seriously mentally ill in the Southeast region at a cost of $1.3 million, of which $975,000 is general fund.

    - Provides for a 10-bed Long-Term Residential Program in the West Central region at a cost of $770,000, of which $408,000 is general fund.

    - Provides for four additional adult crisis beds in the West Central region at a cost of $324,000, all general fund.

- Provides for a $30,000 increase, all general fund, for medical detoxification contract services in the Badlands region.

The general fund increased by $2.63 million due to the decrease in the federal medical assistance percentage (FMAP).

House Changes:

- Removed a total of $1,624,156, with $1,299,156 being general fund, for the 16-bed Transitional Living Program in the Southeast region and the four additional adult crises beds in the West Central region.

- An overall $1,000,000 reduction, with $600,000 being general fund, was made in the Statewide Human Service Center Administration area. This reduces the available funding for the Inpatient Hospitalization contracts by approximately 25% in the North Central, Northeast, Southeast, West Central and Badlands regions. This reduction in the local inpatient hospitalization option would lead to increased admissions to the North Dakota State Hospital. In addition, this reduction would also impede the Department's ability to provide mobile crisis team services in the Southeast region.

  If reductions in inpatient hospitalization contracts and the mobile crisis team services are not sufficient to cover the reduction, the Department would then need to reduce vital core services in all regions, at a time when capacity and service needs are on the rise.

- Removed $320,000, all general fund, from the Transition to Independence Program (TIP) from all eight regions.

This concludes my testimony on the 2013–2015 budget recommendation for the Field Services Division of the Department. I would be happy to answer any questions.

Alex Schweizer
3-27-13
HB 1012
#62A

Justification for Electronic Health Record (EHR)
Senate Appropriations Committee
March 27, 2013

Business Need:

The Field Services Electronic Health Record Information System Replacement project will implement a Certified Electronic Health Record Information system that is focused on behavioral health to support the services offered by the Department of Human Services Field Services Division. The replacement software will support both outpatient and psychiatric inpatient business functions and service delivery needs.

The Joint Commission (JC) and Centers for Medicare and Medicaid Services (CMS) have put forth a set of requirements that can only be met through a Certified Electronic Health Record system. The current hospital information system is limited and will not meet the requirements.

Regulatory:

Pursuant to NDCC 25-02-01.1, the North Dakota State Hospital (NDSH) must maintain accreditation from JC and CMS.

Financial:

- There is a current number of graduating financial penalties from CMS for hospitals not meeting requirements with a future deadline mandating all requirements.

- Although JC and CMS may allow a short period of deficiencies before accreditation is in jeopardy, in time the NDSH could lose accreditation.

- **Potential loss of revenue** for not meeting requirements or loss of accreditation include:

  - $139,000 loss of revenue biennially due to not meeting e-prescribing requirements. (Medicare 2% penalty)

  - Medicare and Medicaid loss of revenue loss of accreditation. (Current 13-15 budgeted revenue from these two sources = $8,675,722).

- **Potential Additional Expense of** $350,000 for software development costs for 2014 ICD 10 requirements. (Cost to upgrade current system)

Examples of Electronic Health Records Requirements

- Medication related requirements; bar coding of medications required for patient safety by 2014, E-Prescribing, and medication order duplicate checking.

- Required electronic exchange of clinical information, provider to provider.

- Patient electronic copy of health information, clinical care document and discharge summaries.

- Support for electronic signature.

- Security and audit log tracking in compliance with requirements.

- Patient electronic access to health information.

Clinical Effectiveness and Efficiencies:

- Medication orders with capacity for programmed times to reduce errors.
- Doctor's notes attached to all orders that streamline their work making it efficient and eliminating missed notes.

- Electronic notes for all disciplines for a true electronic order and for availability to medical staff for treatment planning, monitoring progress and positive clinical outcomes.

- Electronic monitoring of weight, vitals, labs, exercise, and other variables that accrediting bodies require measurement of and treatment planning for.

- Capacity to measure required variables for JC without manual data collection and/or creation of additional databases for information gathering.

- Improved quality and quantity of patient care, accuracy in documentation/and less chance for errors.

#63

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Laurie Gotvaslee, Director of the Northwest Human Service Center (NWHSC) and North Central Human Service Center (NCHSC) of the Department of Human Services (DHS). I am here today to provide an overview of the budget requests of both centers.

Northwest and north central North Dakota are continuing to experience an influx of population from every part of the United States. Both human service centers continue to see an increase of people seeking help with psychiatric medications, as many come to North Dakota without a prescription and no income or very limited income. We are also seeing an increase of clients who do not speak English, therefore increasing the need to utilize interpreters in order to meet their ongoing needs.

Housing continues to be an issue in the two regions, not only because of the oil influx, but because of the flood of 2011. Many clients cannot afford the high cost of rental properties. Even if they are able to obtain a housing voucher, apartments are not available. Some clients also continue to struggle with post-flood trauma as many lost everything and continue to be displaced. The housing shortage is also impacting the ability to hire and retain staff due to the difficulty obtaining affordable housing.

Northwest Human Service Center

NWHSC serves the three county areas of Divide, McKenzie, and Williams counties, with an estimated population of 33,518. Outreach offices are located in Watford City and Crosby. Case managers, clinicians, and program staff travel to deliver outreach services to each of the three counties.

Caseload/Customer Base

- 1,833 clients were served, excluding Vocational Rehabilitation (VR), at the NWHSC in State Fiscal Year (SFY) 2012.

- 220 individuals received VR services.

- In SFY 2012, approximately 21 percent of the clients served were children and 79 percent were adults.

Programs Trends/Major Program Changes

- The partnership NWHSC has with the North Dakota Association for the Disabled remains a critical resource. NWHSC has the ability to contract to develop residential options that provide safe supervised living situations for individuals in crisis or in treatment. The partnership has produced 20 beds for individuals with serious mental illness, and clients are served in crisis residential beds, long-term addiction treatment, and supportive housing. This allows clients to maintain stability and receive the full benefit of treatment. The availability of these beds allows for medication monitoring, maintenance of nutritional meals, and the ability for community-

based care, as opposed to hospitalization. It continues to be a cost-effective solution.

- NWHSC continues to have difficulty hiring staff when positions become vacant.

- NWHSC staff provides crisis counseling and intervention services to local communities and businesses, families, and individuals when a severe or tragic incident occurs.

- NWHSC is implementing the Integrated Dual Disorder Treatment (IDDT) Program, which is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) is operational in the NWHSC region. This program is designed to assist young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition. Many of the young people served would be homeless without the program and its services.

Overview of Budget Changes – Northwest Human Service Center

Description	2011 - 2013 Budget	Increase/ Decrease	2013 – 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	8,260,691	697,500	8,958,191	(40,000)	8,918,191
General Fund	4,614,269	779,122	5,393,391	(40,000)	5,353,391
Federal Funds	3,177,416	(210,653)	2,966,763	-	2,966,763
Other Funds	469,006	129,031	598,037	-	598,037
Total	8,260,691	697,500	8,958,191	(40,000)	8,918,191
FTE	43.75	-	43.75	-	43.75

Budget Changes from Current Budget to Executive Budget:

The Salary and benefits portion of the budget increased by $164,305 and can be attributed to the following:

- An increase of $147,308 in total funds, of which $116,059 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- An increase of $274,455 in total funds, of which $199,323 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $83,425 decrease in temporary salary costs as a result of eliminating temporary salaries in support services, clinical services, and a decrease in the Supported Employment program.

- An increase of $106,535 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $101,389 to underfund the 2013-2015 pay plan, all general fund.

- The remaining decrease of $179,179 is a combination of increases and decreases to sustain the NWHSC's 43.75 FTEs.

The Operating portion of the budget increased by $466,679 and is a combination of the increases and decreases expected next biennium with a majority of the changes in travel and rent as follows:

- An increase of $40,424 in travel costs of which $27,056 is due to increased anticipated state fleet costs and higher per diem costs allowed in the 2011-2013 biennium, as approved by the last Legislative Assembly. The remaining increase of $13,368 is due to increased need largely in the area of outreach services.

- A $454,848 increase in the NWHSC's rental costs. This is due to the large increase in the value of rental space in the Williston area. The rent increased from $9 per square foot to approximately $15 per square foot.

The Grants portion of the budget increased a total of $66,516, mainly attributed to the following items:

- An increase of $80,335 that is all general fund to allow for a 4 percent inflationary increase for the contracted providers each year of the biennium.

- A decrease of $13,819, which is due to the decreased need for contracted psychiatric services.

NWHSC's general fund request increased $779,122. Of this amount, $315,382 is related to the continuing of the current salaries and benefits into the new biennium and $80,335 is related to the Governor's request for a 4 percent inflationary increase for contracted providers. The remaining amount is due to changes in funding to the NWHSC's various programs and the decreased federal medical assistance percentage (FMAP).

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the NWHSC.

North Central Human Service Center

North Central Human Service Center (NCHSC) serves Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties, with an estimated population of 93,015. Outreach offices are located in Bottineau, Rugby, Stanley, and New Town. Case managers, clinicians, and program staff travel to deliver outreach services to clients in all seven counties.

Caseload/Customer Base

- 3,398 clients, excluding vocational rehabilitation (VR), were served at the NCHSC in State Fiscal Year 2012 (SFY).

- 896 individuals received vocational rehabilitation services.

- In SFY 2012, approximately 25 percent of the clients served were children and 75 percent were adults.

- The number of information and referral calls increased from 266 in 2011 to 409 in 2012.

Program Trends/Major Program Changes

- NCHSC was able to hire a psychiatrist who is providing psychiatric services to both NCHSC and NWHSC. This has alleviated the need for the contract with the Rural Mental Health Consortium.

- NCHSC received notification in 2012 that the lease for the Transitional Living (TL) home would not be renewed. The case managers took the necessary action to find housing for the affected clients. This modified the way client services are delivered when it comes to consumers with more intense needs. Clients now live in the community and are monitored by staff on a daily basis, sometimes more often depending on their needs. This allows consumers to maintain stability in their own homes with supports

rather than residing in a TL arrangement. This is a cost effective solution.

- NCHSC staff provides crisis counseling and intervention services to local communities and businesses, families, and individuals when a severe or tragic incident occurs.

- Outreach outpatient therapy has been increased from two to three days per week in the Stanley Outreach Office because of the increased need in that community.

- NCHSC is in the initial stages of implementing the Integrated Dual Disorder Treatment (IDDT) Program. IDDT is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) has been operational at NCHSC and is proving to be successful. This program is designed to assist young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition. Many of the young people served in the TIP program would be homeless without this program.

Overview of Budget Changes – North Central Human Service Center

Description	2011 - 2013 Budget	Increase/ Decrease	2013 – 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	21,116,103	873,068	21,989,171	(40,000)	21,949,171
General Fund	11,948,432	855,434	12,803,866	(40,000)	12,763,866
Federal Funds	8,248,234	(185,396)	8,062,838	-	8,062,838
Other Funds	919,437	203,030	1,122,467	-	1,122,467
Total	21,116,103	873,068	21,989,171	(40,000)	21,949,171
FTE	120.78	-	120.78	-	120.78

Budget Changes from Current Budget to Executive Budget:

The salary and benefits portion of the budget increased by $1,093,183 and can be attributed to the following:

- An increase of $395,883 in total funds, of which $287,256 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- An increase of $443,263 in total funds, of which $313,534 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $118,108 transferred from grants to salaries to fully fund the psychiatrist position.

- An increase of $141,561 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $266,846 to underfund the 2013-2015 pay plan, all general fund.

- An increase in temporary salaries of $38,352, which is largely due to the NCHSC employing partnership case aides as temporary employees rather than contracting for these services. This allows for the NCHSC staff to directly supervise and manage the case aide services provided to clients.

- The remaining increase of $222,862 is a combination of increases and decreases needed to sustain the NCHSC's 120.78 FTEs.

The Operating portion of the budget decreased by $60,201 and is a combination of the increases and decreases with a majority of the changes in the following areas:

- An increase of $98,498 in travel costs of which $63,967 is due to increased anticipated state fleet costs and higher per diem costs established in the 2011-2013 biennium. The remaining increase of $34,531 is due to increased travel largely in the area of outreach services.

- A decrease of $31,000 in food and clothing due to the closing of the NCHSC's Transitional Living program.

- A decrease of $49,875 in rental costs. This is largely due to decreases of $36,000 for a home that was flooded and not repaired that was used for addiction clients in recovery, and a $63,592

decrease due to the change in the TL program. These decreases are offset by a projected increase in the NCHSC's main office rent in the amount of $49,717.

- An increase of $18,419 in repair costs, which largely represents increased costs for janitorial services for the NCHSC's building.

- A decrease of $68,690 in Operating Fees and Services, which is largely the result of a $102,294 decrease due to the Options Counseling being administered out of the DHS Aging Services Central Office and the addition of $40,000 in funding for TIP.

The Grants portion of the budget decreased a total of $159,914, with a majority of the changes in the following areas:

- A decrease of $118,108 due to the hiring of a full time psychiatrist.

- A decrease of $202,907 for case aides in the partnership program. This service is being provided by temporary staff and has resulted in a savings of approximately $19,000.

- An increase of $192,620 that is all general fund to allow for a 4 percent inflationary increase for the contracted providers each year of the biennium.

NCHSC's general fund request increased $855,434. Of this amount, $600,790 is related to continuing the current salaries and benefits into the new biennium, and $192,620 is related to the Governor's request for a 4 percent inflationary increase for contracted providers. The remaining

amount is due to changes in funding of the NCHSC's various programs and the decreased federal medical assistance percentage (FMAP).

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the NCHSC.

#64

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Kate Kenna, Director of the Lake Region Human Service Center (LRHSC) and Northeast Human Service Center (NEHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

Lake Region Human Service Center

The LRHSC provides services to the six counties of Ramsey, Cavalier, Rolette, Towner, Benson, and Eddy, including the Spirit Lake and Turtle Mountain tribal nations. Services are provided throughout the region with one office in Devils Lake and a full-time outreach office in Rolla. Case managers, clinicians, and program staff travel to deliver outreach services to all of the counties in the region.

Caseload/Customer Base

- 2,373 clients (1,856 adults and 517 children) were served, excluding Vocational Rehabilitation Services (VR), at the LRHSC in State Fiscal Year (SFY) 2012.

- 327 clients received VR services.

- In 2011, the population estimate in the region was 40,964, or 6 percent of the total state population. 14.1 percent of the state's children, nearly 21,388, reside in the region.

- During SFY 2012, LRHSC saw 991 Native American consumers which are 42 percent of all LRHSC consumers served. This number represents 36 percent of the total 2,759 Native American consumers seen statewide by the human service centers.

- During SFY 2012, LRHSC provided services to 84 consumers, age 80 and older.

Program Trends/Major Program Changes

- The poverty rate and unemployment rate in the region remains at essentially twice the state average, and two of the region's counties are identified among the three North Dakota counties deemed "persistent poverty" counties, meaning that poverty rates have remained stable during the time span encompassing the 1990, 2000, and 2010 census years. Based on 2011 data, 38 percent of the region residents relied on one or more DHS economic assistance program, again substantively higher than any other region.

- The water issues in the region continue to offer ongoing challenges to human service, faith based, and volunteer organizations active in this disaster. People are experiencing loss and grief as well as financial losses in many cases. On a positive note, local highway construction is nearing completion, and the lake level has dropped this past year.

- The region remains a designated Mental Health Professional Shortage area by the National Health Service Corp. All six counties had a recent shortage score increase from 18 to 19 which is the highest score in North Dakota. This score recognizes the region's recruitment challenges related to advanced licensed mental health professionals, and allows priority access to loan repayment opportunities for eligible hires, a recruitment resource that has had positive outcomes.

- High demand for substance abuse services continues, and finding addiction counselors remains the region's largest recruitment challenge.

- The region's consumers report that transportation is a continuing barrier to accessing services. Outreach is important as part of the solution and the Devils Lake office maintains office hours four evenings per week to accommodate consumer access. The LRHSC also operates a walk-in clinic two days per week for those in need of addiction treatment who can arrive for evaluation without needing an appointment time. The LRHSC has seen its no-show rates drop significantly because of this effort. The 10-bed crisis residential unit in Rolla and the 15-bed unit in Devils Lake also help reduce travel barriers, particularly for those consumers who are in need of intensive outpatient services.

- The region does not have an inpatient mental health or substance abuse program available, so the region utilizes the North Dakota State Hospital (State Hospital) and private facilities. Admissions to the State Hospital are down, suggesting that the region is managing more of their vulnerable clients locally.

- Rolette County continues to grow and remains the region's most populous county. LRHSC administration has been transferring positions to the Lake Region Outreach Office, and we now have nine staff in Rolla: three masters level mental health staff, three licensed addiction counselors, two developmental disabilities case managers, and one support staff. We additionally have a licensed psychologist traveling to Rolla once per week and offer psychiatric medication management via telemedicine.

- A number of agencies across the Lake Region are noticing an increase in pregnant women who are identified as continuing to abuse substances during pregnancy, and in a number of instances the problem has not been identified until after delivery, thus babies are being born who are in withdrawal.

- Last biennium, two new 8-bed apartments were opened, one in Rolla and one in Belcourt, primarily to address living needs of individuals with developmental disabilities. A sheltered workshop was also opened in each of these communities. The facilities have both remained full or near full, and in particular have provided a resource to Native American consumers.

- The number of children deemed eligible for Infant Development Services have also continued to grow. This program has added a second full-time infant development staff member to the Rolla and Belcourt area, and LRHSC has added a second Developmental Disabilities case manager position to the LRHSC outreach office in Rolla.

- LRHSC is implementing the Integrated Dual Disorder Treatment Program (IDDT), which is an evidence-based practice designed to promote the recovery of adults who have serious co-occurring mental health and substance abuse challenges.

- The Transition to Independence Program (TIP) is now operational in the Lake Region, and is a program designed to assist those young people who struggle along the pathway into adulthood who otherwise do not qualify for transition assistance. TIP provides case management, coordination, referral, and resources that can help to achieve successful transition.

- A transitional living (TL) facility has been a missing component of care for individuals with serious mental illness in the region. A TL facility has been included in the Governor's Executive Budget request and would serve up to eight seriously mentally ill individuals who need an intensive level of care, 24/7, for a period of 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This facility could also serve potential State Hospital referrals and reduce hospital stays for the region.

Overview of Budget Changes – Lake Region Human Service Center

Description	2011 - 2013 Budget	Increase/ Decrease	2013 – 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	11,244,306	1,491,827	12,736,133	(40,000)	12,696,133
General Fund	6,760,312	813,474	7,573,786	(40,000)	7,533,786
Federal Funds	4,011,552	570,140	4,581,692	-	4,581,692
Other Funds	472,442	108,213	580,655	-	580,655
Total	11,244,306	1,491,827	12,736,133	(40,000)	12,696,133
FTE	61.00	-	61.00	-	61.00

Budget Changes from Current Budget to the Executive Budget:

The salary and fringe benefits portion of the budget increased by $530,615 and the majority of the changes can be attributed to the following:

- $198,643 in total funds, of which $146,302 is general fund needed to fund the Governor's Benefit package for health insurance and retirement for state employees.

- $222,901 in total funds, of which $158,078 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- $19,267 in temporary salary increases due mainly to a contracted psychiatrist becoming a temporary employee due to IRS regulations.

- An increase of $116,176 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $134,837 to underfund the 2013-2015 pay plan, all general fund.

- The remaining $108,465 increase is a combination of increases and decreases needed to sustain the salaries of the LRHSC's 61 FTEs.

The operating portion of the budget increased by $110,786 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $67,165 in travel costs of which $48,737 is due to increased anticipated state fleet costs and higher per diem costs allowed in the 2011-2013 biennium without additional funding. The remaining increase of $20,828 is due to increased travel largely for outreach in the areas of Developmental Disabilities case management, Serious Mentally Ill case management, and other client-related needs areas.

- An increase of $29,395 in Operating Fees and Services of which there is a $40,000 increase for the TIP program, a $5,000 increase for funds to assist clients in the IDDT program, and a decrease of $15,848 due to the Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $850,426. This increase is the result of the following items:

- A decrease of $24,495 in grants as the result of a contracted psychiatrist being properly classified as a temporary employee as mentioned above.

- An increase of $26,665 to continue the second year of the provider increases given in the current biennium for the entire 2013-2015 biennium.

- An increase of $118,516 for a 4 percent and 4 percent increase to contracted providers as requested by the Governor.

- An increase of $729,740 of which $401,414 is general fund to add an 8-bed Transitional Living Program in the region.

General fund increases total $813,474.

- An increase of $304,380 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $519,930 for the contracted TL residential facility and provider increases.

- The remaining decrease is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

Other funds increased by approximately $108,000 due to projected increases in client and third party collections.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the LRHSC.

Northeast Human Service Center

The NEHSC serves Grand Forks, Nelson, Walsh, and Pembina counties. The NEHSC is located in Grand Forks with a satellite office in Grafton and an outreach site in Cavalier.

Caseload/Customer Base

- 3,356 clients were served, excluding Vocational Rehabilitation Services (VR), at the NEHSC in State Fiscal Year (SFY) 2012, 2,602 adults and 754 children.

- 725 clients received VR Services.

- The population of the region is approximately 88,029. This represents 13.2 percent of the state's population. 12.5 percent of the state's children, nearly 17,561, reside in this region.

- NEHSC is experiencing an increase in admissions and services to individuals age 60 and older, 18 percent increase since 2010.

- From October 2011 through September 2012 the region received 1,554 reports of Suspected Child Abuse and Neglect as compared to 1,353 reports in the prior federal fiscal year, a 15 percent increase.

Program Trends/Major Program Changes

- The NEHSC has three fully licensed psychologists despite a history of difficulty recruiting and retaining psychologists. We have also filled all positions for community home counselors, and mental health clinicians.

- In addiction services, NEHSC continues to see an increased abuse of prescription medication, methamphetamine and heroin, more IV users including pregnant women, a need for longer residential stays, and an increase in clients from County Social Services and the Department of Corrections and Rehabilitation who require additional case management and more frequent involuntary commitments. We are seeing more transient and homeless clients, often with dual diagnosis issues.

- NEHSC addiction services noticed a significant increase in the use of synthetic marijuana, which is undetectable by traditional drug screening. A number of clients had their treatment impacted by this undetected continued use.

- We are seeing an increase in clients accessing our services through our Grafton satellite clinic.

- Referrals for early intervention services, children 0-3 years of age continue to increase. Referrals are coming from hospitals, clinics, Early Head Start, and parental referrals.

- In adult Developmental Disabilities services, the NEHSC is seeing a trend of many clients aging in their own homes. These clients are living into their 70s and 80s. As they grow older, their need for assistance and supervision increases.

- The NEHSC continues to work with many families whose children or young adults have been diagnosed with Autism and have been working with families to access the autism waiver in North Dakota.

- NEHSC is currently working with 12 different licensed developmental disabilities provider agencies to meet the needs of developmentally disabled individuals in the region.

- Ruth Meiers Adolescent Psychiatric Residential Treatment Facility continues to serve adolescents from across North Dakota that are experiencing serious mental health issues. Trends impacting the delivery of services include a steady increase in the number of referrals where the adolescents are more aggressive and assaultive and those that have significant cognitive impairments.

- Children and Family Services have noted a decrease of child care providers. Some of this decrease is because the school system operates their own after-school program which does not require licensing. In the past, the YMCA provided this service and they were licensed. The NEHSC, however, has noted a trend of longer term

providers retiring, and there are fewer coming into the field of child care.

- NEHSC has also noted a decrease in the number of foster care homes. This is despite a very active recruitment effort.

- The NEHSC has been working with Network for the Improvement of Addiction Treatment (NIATx) to improve services to clients. This process looks at evaluating services and using a rapid change cycle in the delivery of services. We have focused on reducing wait time, increased customer satisfaction, and efficiency. We also have been working on a risk of suicide protocol to more effectively react to those situations.

Overview of Budget Changes – Northeast Human Service Center

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs / Institutions	26,677,328	1,205,447	27,882,775	(40,000)	27,842,775
General	12,366,839	1,377,594	13,744,433	(40,000)	13,704,433
Federal	12,540,280	(356,495)	12,183,785	-	12,183,785
Other	1,770,209	184,348	1,954,557	-	1,954,557
Total	26,677,328	1,205,447	27,882,775	(40,000)	27,842,775

FTEs	138.50	-	138.50	-	138.50

Budget Changes from Current Budget to the Executive Budget:

Salary and benefits increased by $996,374 and can be attributed to the following:

- $452,942 in total funds, of which $301,215 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $500,741 in total funds, of which $298,771 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $151,897 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $266,495 to underfund the 2013–2015 pay plan, all general fund.

- Temporary salaries are increased by $43,359 to meet staffing needs in the Ruth Meiers Psychiatric Residential Treatment Facility and a part-time temporary case aide for adults with serious mental illness.

- The remaining increase of $113,930 is a combination of increases and decreases needed to sustain the salary and benefits of the 138.5 FTEs in this area of the budget.

The Operating budget decreased by $782 and is a combination of the increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase of $32,194 in NEHSC's travel budget. DOT Motor Pool rates for 2013-2015 biennium increased by 27 percent for state cars and 22 percent for mini-vans.

- A decrease of $31,512 in Fees – Professional Services, primarily due to a reduction in the number of foster grandparents in the Foster Grandparent Program.

- A small increase, $2,462, in the budget for office rental, less than one percent. There are no changes in any of Northeast's office lease rates or space leased for the 2013-2015 biennium.

- IT Communications decrease of $6,789, approximately a 3 percent reduction.

The Grants portion of the budget includes a net increase of $209,855. This includes an increase of $303,275 of which $214,156 is general fund to cover inflationary increases of 4 percent each year for the contracted providers. An increase of $73,796 for the cost to continue the second year of the provider increases that were given in the current biennium. These increases were offset by decreases in detoxification services and nurturing parent services.

The general fund request increased by $1,377,594.

- An increase of $599,986 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $214,156 for the contracted provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

NEHSC is projecting an $184,348 increase in other funding, primarily from client and third party collections.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the NEHSC.

#65

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jeff Stenseth, Director of Southeast Human Service Center (SEHSC) and South Central Human Service Center (SCHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

Southeast Human Service Center

SEHSC provides services to the six counties of Steele, Traill, Cass, Ransom, Sargent, and Richland counties. SEHSC provides outreach services for mental health and substance abuse services in Wahpeton, Lisbon, Hillsboro, and Mayville and provides case management services to rural areas as needed.

Caseload/Customer Base

- 4,949 clients (3,848 adults and 1,101 children) were served, excluding Vocational Rehabilitation Services (VR), at the SEHSC in State Fiscal Year (SFY) 2012.

- 1,135 clients received VR services during SFY 2012.

- The Developmental Disabilities Program caseload has continued to grow and now totals 1,295.

- The region is comprised of 187,911 residents (27.5 percent of the state's population) according to the U.S. Census Bureau 2011 estimate.

- According to the latest Homeless Population Point in Time Survey (January 2012), the region has 56 percent (128 individuals) of the state's long-term homeless population.

- There are between 300-350 children in foster homes in the region during a year, which mirrors the state trend of minimally declining numbers.

Program Trends/Major Program Changes

- The SEHSC accounted for 20 percent of all admissions to the North Dakota State Hospital (NDSH) in SFY 2012. This is a decrease of 13 percent from SFY 2010. This decrease was due in part to improved partnerships with Prairie St. John's for contracted inpatient care and Dacotah Foundation for contracted residential care, and SEHSC's improved access to case management and addiction treatment services.

- Prairie St. John's has become the primary provider of inpatient psychiatric and substance abuse services for indigent adults, children, and adolescents in the region.

- SEHSC continues to partner with the jail, law enforcement, the courts, and probation and parole to provide services to clients with mental illness and substance abuse from the local correctional system.

- DHS is piloting a Mobile Crisis Team in the SEHSC region in a public/private partnership between the Department and Solutions Inc., to address crisis intervention needs in the region.

- DHS is contracting with Clay County's medical detoxification center to provide medical detoxification services to the SEHSC region.

- SEHSC is seeing an increased demand for case management services for individuals with serious mental illness or who are dual diagnosed, with both serious mental illness and chemical dependency. The SEHSC provides these services for individuals who most likely would access higher levels of care such as hospitalization, or experience repeated law enforcement encounters, need social detox and/or pose a harm to themselves or others. Individuals who receive case management services require multiple services and generally more intensive services.

- SEHSC contracts for crisis beds for children with severe emotional disorders and crisis/social detox beds for adolescents with substance abuse issues. Outcomes in this area have been very positive with increased school attendance, reduction in substance use, and successful reintegration into the parental home.

- The demand for addiction treatment services for adults in our region continues to grow. During this biennium, the SEHSC 15-bed crisis residential unit and eight-bed residential units at Dakota Pioneer have consistently remained full. The SEHSC also

has started to phase in the new contracted 15-bed addiction residential facility funded in the last legislative session.

- SEHSC continues to see a high demand for adult psychiatry services which is creating longer wait times for entry into that service.

- In order to serve a larger number of adult addiction treatment clients in a more efficient manner, this past June, SEHSC started to provide a majority of its outpatient addiction treatment services in a Treatment Mall format.

- On June 1, 2012, SEHSC also implemented a Centralized Intake Pilot Project with the goals of reducing wait time for intake appointments, reducing wait time for follow-up appointments and for completing a more comprehensive diagnostic assessment process with clients. Within these first six months, we have successfully reduced both wait time indexes by over 50 percent and are consistently producing a more comprehensive diagnostic assessment which aids in meeting all the clients treatment needs.

- The SEHSC has fully implemented the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes 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.

- In conjunction with the University of North Dakota Medical School, SEHSC continues to provide a psychiatric residency training site for a number of doctors each year and to operate an American Psychological Association (APA) approved internship site for psychologists. We believe this will assist in our recruitment efforts of psychiatrists and psychologists for the region and DHS.

- Fargo-Moorhead continues to have a culturally diverse population which requires interpreters and other special services from the SEHSC.

Overview of Budget Changes – Southeast Human Service Center

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	34,746,335	4,284,137	39,030,472	(1,340,000)	37,690,472
General Fund	18,343,446	5,004,800	23,348,246	(1,015,000)	22,333,246
Federal Funds	15,227,364	(767,521)	14,459,843	(325,000)	14,134,843
Other Funds	1,175,525	46,858	1,222,383	-	1,222,383
Total	34,746,335	4,284,137	39,030,472	(1,340,000)	37,690,472
FTE	185.15	-	185.15	-	185.15

Budget Changes from Current Budget to the Executive Budget:

The salary and benefits portion of the budget line increased by $2,466,715, which is primarily attributed to the following:

- $626,753 in total funds of which $446,380 is general fund to fund the Governor's benefit package for health insurance and retirement for state employees.

- $752,268 in total funds of which $493,806 is general fund needed to fund the employee increases approved by the last legislative assembly.

- An increase of $191,179 to cover an underfunding from the 2011–2013 budget, all general fund.

- A decrease of $422,179 to underfund the 2013–2015 pay plan, all general fund.

- An increase of $240,952 to fund two additional FTE for Developmental Disabilities Case Management to maintain the required staff to client ratio, $137,341 is general fund. The Department must find the FTE's within their current authorized FTEs.

- An increase of $222,649, all general fund, to convert four existing temp staff to regular FTEs. These include two in SMI case management and two in the partnership children's mental health program. The Department must find the FTE's within their current authorized FTEs.

- An increase of $14,544 to cover staff for on-call pay for face-to-face hours.

- $55,219 to provide for the annual and sick leave lump sum payouts for seven FTEs expected to retire.

- An increase of $404,896 in total funds of which $399,753 is general fund for 7.5 temporary employees.

- A decrease of $17,519 in the budget for overtime.

- The remaining increase of $397,953 is a combination of increases and decreases needed to sustain the salary of the 185.15 FTEs and temporary employees in this area of the budget.

The operating portion of the budget decreased by $70,631 and is a combination of increases and decreases expected next biennium. The majority of changes in the following areas:

- $24,038 decrease in motor pool costs due to removing the budget for the former Field Services Director position, which is no longer a part of the SEHSC budget.

- An increase of $40,000 in miscellaneous supplies for the TIP for youth.

- Increased rent of $5,898 for the Off Main facility (dual diagnosis mental health/substance abuse).

- A decrease of $21,625 for staff training due to standardizing training costs per staff across the Department.

- A decrease of $62,829 of federal funds, in operating fees, for the Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $1,888,053 primarily based on the following:

- Inflationary increases of 4 percent each year for providers for a total of $400,974, all general fund.

- An increase of $221,149 to continue a 15-bed short term substance abuse residential facility for 24 months at 95 percent occupancy.

- An increase of $1,300,000 for a new 15-bed Transitional living facility for the mentally Ill and chemically dependent (MI/CD) population, $975,000 is general fund.

In summary, the general fund request increased by $5,004,800 with $1,699,829 or 34 percent of that increase is related to salary and fringe benefit increases. The grants portion accounts for $1,563,053 of the increase which is 31 percent of the increase. The remaining increase of $1,741,918 is associated with the decrease in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

- A decrease of $1,300,000 for a new 15-bed Transitional living facility for the mentally Ill and chemically dependent (MI/CD) population, $975,000 is general fund.

I would be happy to answer any questions about the SEHSC.

South Central Human Service Center

- SCHSC provides services to the nine counties of Foster, Wells, Griggs, Barnes, Stutsman, LaMoure, Dickey, McIntosh, and Logan counties. In addition, SCHSC provides services at satellite locations in Valley City, Oakes, Carrington, Cooperstown, Wishek, and Fessenden.

Caseload/Customer Base

- 3,182 clients (2,444 adults and 738 children) were served, excluding Vocational Rehabilitation Services (VR), at the SCHSC in State Fiscal Year (SFY) 2012.

- 620 clients received VR services during SFY 2012.

- The population of the region is approximately 56,244 residents. This represents 8.2 percent of the state's population according to the U.S. Census Bureau 2011 estimate.

- Citizens age 65 and older comprised 25 percent of the total population of the region. The south central region has the oldest average age in the state.

- In the child welfare area, the region has experienced an increase in the number of child protection service assessments done in response to reports of child abuse and neglect. There were 501 completed in CY 2010 and 557 in CY 2011.

Program Trends/Major Program Changes

- SCHSC accounted for 36 percent of the total admissions to the North Dakota State Hospital (NDSH) in FY 2012. As this region has no private inpatient mental health treatment facility, the NDSH is utilized for acute inpatient needs, as well as for longer term hospitalization needs. Individuals from the region also access out-of-region private psychiatric hospitals.

- The increasing senior population in the region as Baby Boomers age has implications for both the caregiver program and adult abuse and neglect reporting and interventions.

- SCHSC is seeing an increase in emergent intervention contacts for clients with serious mental illness and substance abuse in the region. It should be noted, that 42 percent of emergency contacts and screenings received during calendar years 2011 and 2012 occurred after regular business hours at SCHSC.

- The SCHSC medical unit is currently piloting two new practices to increase efficiencies including the Order Connect software and

the Tele-pharmacy Initiative in collaboration with the North Dakota State Hospital.

- SCHSC has the only full-time community psychiatrist.

- SCHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes 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.

- SCHSC has continued to work in community collaboration, with efforts to partner in the development of the IDDT program, leadership for the James River Addiction Training Consortium, active participation in the Jamestown Housing Coalition, and partnering in the community Health and Safety Coalition, all in an effort to improve the lives of the consumers we serve.

- Jamestown currently has an available rental occupancy rate of .75 or less than 1%. Available housing resources for our most vulnerable residents are very limited and are likely to further constrict in the coming months.

- SCHSC continues to have challenges recruiting licensed addiction counselors and licensed medical providers.

Overview of Budget Changes - South Central Human Service Center

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	16,470,290	323,593	16,793,883	(40,000)	16,753,883
General Fund	8,860,138	120,455	8,980,593	(40,000)	8,940,593
Federal Funds	6.691,551	22,170	6,713,721	-	6,713,721
Other Funds	918,601	180,968	1,099,569	-	1,099,569
Total	16,470,290	323,593	16,793,883	(40,000)	16,753,883
FTE	83.50	-	83.50	-	83.50

Budget Changes from Current Budget to the Executive Budget:

The major changes can be explained as follows:

The salaries and fringe benefits portion of the budget increased by $71,107 which is primarily attributed to the following:

- $268,597 in total funds of which $185,043 is general fund to fund the Governor's benefit package for health insurance and the retirement for state employees.

- $353,385 in total funds of which $244,470 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $142,063 to cover an underfunding from the 2011–2013 budget, all general fund.

- A decrease of $180,411 to underfund the 2013–2015 pay plan, all general fund.

- A decrease of $260,048 from reclassifying a position from a psychiatrist to a certified nurse specialist.

- An increase of $31,073 to cover staff for on-call pay due to paying the staff for face-to-face time.

- An increase of $22,282 to cover the current temporary staff which will include a part-time case manager starting in February of 2013.

- A decrease of $7,448 in overtime.

- $46,603 to provide for the annual and sick leave lump sum payouts for six FTEs expected to retire.

- A decrease of $110,661 caused by long term staff retiring and the replacements hired at a lower salary.

- The remaining decrease of $234,328 in the salaries and fringe benefits portion of the budget is a combination of increases and decreases needed to sustain the salary of the 83.50 FTEs in this area of the budget.

The operating portion of the budget increased by $31,938 and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in operating fees and services of $21,647 consisting of an increase for flexible funding for TIP, an increase in contracted services for Adult Protective Services, and a decrease for Options Counseling being administered out of the DHS Aging Services Central Office.

The grants portion of the budget increased by $220,548, primarily due to inflationary increases of 4 percent each year for providers.

The general fund request increased by $120,455 with 100 percent of that increase related to the Governor's salary package of fringe benefit increases for state employees.

The other funds increased by $180,968 based on a projected increase in collections for services both in self pay and third party insurance payments.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the SCHSC.

#66

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Tim Sauter, Director of West Central Human Service Center (WCHSC) and Badlands Human Service Center (BLHSC) for the Department of Human Services (DHS). I am here today to provide you an overview of the budget for both of these centers.

West Central Human Service Center

WCHSC serves the residents of Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan, and Sioux counties. The WCHSC has a regional aging services outreach office in Emmons County.

Caseload/Customer Base

- 5,532 individuals (4,357 adults and 1,175 children) were served, excluding Vocational Rehabilitation Services (VR), at the WCHSC in State Fiscal Year 2012 (SFY).

- 1,486 individuals received VR services during SFY 2012.

- 99 percent of the WCHSC VR clients placed in jobs remain employed after six months.
- WCHSC nurses assist on average 175 clients per month with accessing Patient Assistance Medication Programs.

Program Trends/Major Program Changes

- WCHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes 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.

- The WCHSC Developmental Disabilities Unit continues to see increases in referrals to Early Intervention Services and in adults seeking services.

- Alcohol continues to be the biggest drug problem for adult clients. The WCHSC is once again seeing an increase in the abuse of methamphetamine by adult clients. In addition, the WCHSC continues to see an increase in the number of adult clients abusing prescription drugs, particularly opiates, and synthetic marijuana. Adolescents are abusing marijuana, prescription drugs, and synthetics in increasing numbers.

- There continues to be a significant number of referrals from the Department of Corrections and Rehabilitation (DOCR). A recent point in time review, reveals that 59 percent of clients in the WCHSC's adult addiction treatment groups are referred from the DOCR.
- The WCHSC region is seeing an increase in the number of foster home placements. For adolescents coming into the foster care system, there

appears to be a trend of synthetic drug usage, and children who have been exposed to methamphetamine during pregnancy.

- We continue to have a minimal number of residents from the region enter the North Dakota State Hospital or the North Dakota Developmental Center.

- Housing is a problem for many of the clients served at the WCHSC, especially affordable housing. The WCHSC is seeing more individuals who are homeless.

- The WCHSC's crisis residential facility is at capacity, with an average of two to three individuals on the waiting list at any given time. This results in people being placed in a higher level of care than needed, remaining longer than needed in a higher level of care, or simply not receiving the level of care they need while they are awaiting admission.

- The WCHSC's long-term residential facility for adults with severe and persistent mental illness is always at 100 percent capacity, and the WCHSC's transitional facility is generally at 90 percent or above. Because there are no other long-term beds available, clients stay in the transitional facility longer than necessary creating a bottleneck for new admissions.

Overview of Budget Changes – West Central Human Service Center

Description	2011 -2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	27,001,434	2,825,312	29,826,746	(364,156)	29,462,590
General Funds	13,907,335	2,650,429	16,557,764	(364,156)	16,193,608
Federal Funds	11,696,382	30,882	11,727,264	-	11,727,264
Other Funds	1,397,717	144,001	1,541,718	-	1,541,718
Total	27,001,434	2,825,312	29,826,746	(364,156)	29,462,590

FTE	136.10	-	136.10	-	136.10

Budget Changes from Current Budget to the Executive Budget:

The Salary and Benefits portion of the budget increased by $1,277,712 and can be attributed to the following:

- $440,718 in total funds, of which $313,355 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $576,157 in total funds, of which $360,332 is general fund, needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $143,329 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $305,611 to underfund the 2013-2015 pay plan, all general fund.

- An increase of $63,837 for health insurance for three FTEs that did not have health insurance included in the budget for the current biennium.

- An increase of $61,679 for a temporary full-time Support Services position for the Business Office.

- $146,699 to provide for the annual leave and sick leave lump sum payouts for 18 FTEs expected to retire during the 2013-2015 biennium.

- The remaining increase in salaries and benefits, totaling $150,904, is a combination of increases and decreases needed to sustain the salary of the 136.10 FTEs.

The Operating portion of the budget increased by $54,115 or 2.3 percent and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in the travel budget based on an increase in motor pool rates and a decrease in projected utilization.

- A decrease in various Supply Categories, Postage, Printing and Repairs based on projected utilization.

- An increase in Office Equipment and Furniture under $5,000. Funding would be used to replace chairs and office furniture with more functional modular furniture.

- An increase in Rentals/Leases, for office building rent, based on an increase in the projected rental rates.

- A decrease in IT-Communications based on utilization.

- An increase in Professional Development based on specialized training in areas such as supervision, sexual offenders, behavioral health, and tele-pharmacy.

- A decrease in Operating Fees and Services as a result of Options Counseling being administered out of the DHS Aging Services Central Office.

- An increase in Medical, Dental, and Optical related to the procurement of childproof medication bottles used in distributing medication to clients.

The Grants portion of the budget increased by $1,493,485 and is primarily the result of increases in the following areas.

- $769,700 for a new 10-bed long term Mentally Ill residential facility, $407,941 general fund.

- $324,156 to increase the bed capacity, from 10 beds to 14 beds, for the Adult Crisis Residential facility, all general fund.

- $379,004 for provider inflationary increases, $378,628 general fund.

- The remaining increase in grants, totaling $20,625, is a combination of increases and decreases needed to sustain the existing contracts.

The general fund request increased by $2,650,429 and can be primarily attributed to the following:

- An increase of $673,687 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $1,110,725 for the contracted residential facilities and provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

The net change in federal and other funds is primarily the result of a decrease in projected Medical Assistance collections, an increase in other client collections, and other changes mentioned previously.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

- A $324,156 general fund reduction was made to the grants portion of the budget. This funding would have increased the bed capacity, from 10 beds to 14 beds, for the Adult Crisis Residential facility.

I would be happy to answer any questions about the WCHSC.

Badlands Human Service Center

Badlands Human Service Center (BLHSC) serves the people of Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, and Stark counties. BLHSC has outreach offices in Beach, Bowman, Hettinger, and Mott.

Caseload/Customer Base

- 1,871 individuals (1,387 adults and 484 children) were served, excluding Vocational Rehabilitation Services (VR), at BLHSC in State Fiscal Year (SFY) 2012.

- 230 individuals received VR services in SFY 2012.

- 100 percent of BLHSC clients remain employed six months after being placed in a job.

- BLHSC nurses help clients access Patient Medication Assistance Programs. These programs serve 62 individuals per month.

Program Trends/Major Program Changes

- BLHSC is implementing the evidence-based practice of Integrated Dual Disorder Treatment (IDDT), which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes include reduced rates of relapse, hospitalization, arrest, incarceration, and reduced utilization of high cost services while increasing continuity of care, quality-of-life outcomes, stable housing, employment, and independent living.

- The number of individuals receiving developmental disabilities services has been rising over the past several years. In SFY 2012, 309 individuals were served by the Developmental Disabilities Unit. In the current fiscal year, that number has grown to 370 served. Twenty-one additional individuals have been referred and we are in the process of determining eligibility.

- 49 percent of the individuals in adult addiction programs in this region have been referred by the DOCR.

- Due to oil impact on housing and the cost of living in Dickinson, finding and maintaining housing, especially affordable housing, has become a bigger issue for the people we serve, as well as our employees.

- This past year, we have seen an increase in admissions to the North Dakota State Hospital, and the admissions to the psychiatric units in Bismarck have remained consistent. The numbers of individuals utilizing the medical detoxification contract with St. Joseph's Hospital has increased in the past year.

- The Community Mental Health Council has identified three high priority concerns: homelessness, lack of an appropriate option to supervise individuals awaiting transportation to the North Dakota State Hospital or the two psychiatric units in Bismarck, and a facility to provide social setting detoxification for people who are under the influence but do not need medical detoxification.

Overview of Budget Changes – Badlands Human Service Center

Description	2011 -2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	11,757,691	588,027	12,345,718	(40,000)	12,305,718
General Funds	6,497,329	529,341	7,026,670	(40,000)	6,986,670
Federal Funds	4,426,122	(93,618)	4,332,504	-	4,332,504
Other Funds	834,240	152,304	986,544	-	986,544
Total	11,757,691	588,027	12,345,718	(40,000)	12,305,718
FTE	74.70	-	74.70	-	74.70

Budget Changes from Current Budget to the Executive Budget:

The Salary and Benefits portion of the budget increased by $574,115 and can be attributed to the following:

- $237,163 in total funds, of which $172,964 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $304,238 in total funds, of which $217,166 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- An increase of $107,260 to cover an underfunding of salaries from the 2011-2013 budget, all general fund.

- A decrease of $169,579 to underfund the 2013-2015 pay plan, all general funds.

- $55,104 to provide for the annual sick leave lump sum payouts for eight FTEs expected to retire in the 2013-2015 biennium.

- The remaining increase in salaries and benefits, totaling $39,929, is a combination of increases and decreases needed to sustain the salary of the 74.70 FTEs.

The Operating portion of the budget decreased by $17,018 or 1.1 percent and is a combination of increases and decreases expected next biennium with a majority of the changes in the following areas:

- An increase in the travel budget based primarily on an increase in motor pool rates. A smaller portion of the increase is based on projected utilization.

- An increase in various supply categories, Postage, Repairs and IT-Communications based on projected utilization.

- An increase in Office Equipment and Furniture under $5,000. Funding would be used to replace office furniture and furnishings at the Transitional Living/Crisis Residential facility.

- A decrease in building rent based on the decision to not relocate the human service center into a new facility. This is due to construction cost of the new facility exceeding the budget approved during the previous legislative session, and an unwillingness of the contractor to delay the construction until legislative approval of the additional funds.

- A decrease in IT-Data Processing. This was a one-time budget for wiring costs associated with the proposed relocation of the human service center during the 2011-2013 Biennium. This move did not occur.

- An increase in Professional Development based on specialized training in areas such as supervision, domestic violence, Matrix, IDDT, and tele-pharmacy.

- A decrease in Operating Fees and Services based on a decrease in projected utilization associated with Wrap around Services, Respite Care Services and moving expenses, plus an increase in funding associated with the TIP.

The Grants portion of the budget increased by $30,930 and is primarily the result of increases in the following areas.

- $30,000 for increased Medical Detoxification services, all general fund.

- $20,580 for provider inflationary increases, all general fund.

- A decrease of $19,650 for contracted outreach services.

The general fund request increased by $529,341 and can be primarily attributed to the following:

- An increase of $390,130 for the Governor's benefit package and the employee increases approved by the last Legislative Assembly.

- An increase of $50,580 for Medical Detoxification Services and provider increases.

- The remaining increase is related to the reduction in the federal medical assistance percentage (FMAP) and the ongoing costs to continue operations.

The net change in federal and other funds is primarily the result of a decrease in projected Medical Assistance collections, an increase in other client collections, and other changes mentioned previously.

House Changes:

- A $40,000 decrease due to the removal of funding for the Transition to Independence Program (TIP).

I would be happy to answer any questions about the BLHSC.

#67

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services (Department). I am here today to provide you an overview of the statewide Human Service Center administration.

Programs

This area of the budget includes the system-wide resources to provide support to the Field Services division to carry out their programs. Resources include the Lead Fiscal Manager for Field Services, the state-wide Human Service Center Training Coordinator, the centralized billing and receivables department, and the state-wide contracts for Inpatient Hospitalization, Medical Detoxification, and Mobile On-call Crisis Stabilization services.

All of these resources were previously budgeted in one of the human service centers or in the Administration area of the Department's budget.

Major Program Changes

There have not been any major program changes in this area.

Overview of Budget Changes – State-Wide HSC Management

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
HSCs/Institutions	6,002,865	66,890	6,069,755	(1,000,000)	5,069,755
General Fund	4,653,031	341,585	4,994,616	(600,000)	4,394,616
Federal Funds	1,349,834	(274,695)	1,075,139	(400,000)	675,139
Other Funds	-	-	-	-	-
Total	6,002,865	66,890	6,069,755	(1,000,000)	5,069,755
FTE	13.00	-	13.00	-	13.00

Budget Changes from Current Budget to the Executive Budget:

- $41,586 in total funds, all general fund, is needed to fund the Governor's Benefit package for health insurance and retirement for state employees.

- $37,578 in total funds, all general fund, is needed to fund the employee increases approved by the last Legislative Assembly.

- Decreases in travel and rent account for a reduction of approximately $12,000 in the operating area.

The increase in general fund is related to a decrease in federal collection funding in this portion of the budget for the 2013-2015 biennium.

House Changes:

An overall $1,000,000 reduction, with $600,000 being general fund, was made in the Statewide Human Service Center Administration area. This reduces the available funding for the Inpatient Hospitalization contracts

by approximately 25% in the North Central, Northeast, Southeast, West Central and Badlands regions. This reduction in the local inpatient hospitalization option would lead to increased admissions to the North Dakota State Hospital. In addition, this reduction would also impede the Department's ability to provide mobile crisis team services in the Southeast region.

If reductions in inpatient hospitalization contracts and the mobile crisis team services are not sufficient to cover the reduction, the Department would then need to reduce vital core services in all regions, at a time when capacity and service needs are on the rise.

This concludes my testimony and I would be happy to answer any questions that you may have.

#68

Testimony
House Bill 1012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Nancy McKenzie, Public Policy Director for Mental Health America of North Dakota (MHAND). I am here today to speak in support of HB1012.

MHAND is very supportive of the further development of community-based services for individuals with mental illness and/or substance use problems that this budget proposal includes.

We believe many of the components of this budget will continue to strengthen access to services that are much needed by this population:

- In the area of capacity, we support the addition of crisis residential, transitional living, and long-term residential beds in various regions of the state. This will strengthen the local care continuums, allowing individuals to have avert hospitalization or have shorter hospital stays; and, will provide support for a longer period of time to allow individuals to have assistance in adapting to gradually more independent living. North Dakota has positively added community services over time, and we encourage continued development in this direction.
- Funding for additional case management services and temporary staff in the Southeast Human Service Center (SEHSC) region is a positive response to capacity issues there. We anticipate that this additional support will be helpful in the continuing effort to decrease inpatient hospitalizations, a large number of which occur in this region.

We would also like to speak to our very strong support of the additional funding for Peer Support services in HB1012. As you are aware, Peer Support is an established evidence-based practice within the Recovery Model. As such, it is backed up by research and predictive of success when followed as designed.

The North Dakota peer support brochure says: "Peer support is a structured relationship where a trainee Certified Peer Specialist who has gone through recovery assists others with mental health issues to identify and achieve life goals as part of their own recovery process." Peer support is a vital adjunct to a strong recovery model, and the ability to enhance this service is important in the overall continuum in North Dakota.

There are many reasons why this is an excellent investment:

- Peer support has been identified as one of the ten essential components of recovery, and an essential element of an environment conducive to community integration;
- Over 25 studies have shown the efficacy of peer support in terms of improved mental health, community cost-effectiveness, reduced symptomatology, improved coping skills, increased medication compliance, reduced hospitalizations, increased consumer satisfaction;
- Peer support not only gives people with serious mental illness a voice, but also an opportunity to use their experiences as strengths as opposed to weaknesses, changing in role from helpee to helper and creating a social network.

Examples of cost-effectiveness noted in various studies include:

- Consumers using peer specialist cost the state, on average per year, $997 versus the average cost of $6491 in day treatment (Georgia, 2006);

- Follow-up re-hospitalization rates of individuals with peer matches was significantly less than that in the two years prior. Individuals who previously were re-hospitalized an average of 60% of the time, were re-hospitalized just 19% of the time when peer support was in place (National Health Data Systems study); and,
- Utilizing peer specialists for respite services was able to reduce involuntary hospitalizations by 32%, leading to significant savings (OptumHealth analysis of Pierce County, WA services).

Peer support is also beginning to be recognized as an area of emphasis to transform the behavioral health workforce and prepare for anticipated workforce shortages. Many grant funding resources are also requiring active peer involvement in programs applying for assistance.

North Dakota's peer support program is in place across the state now, with active services in the eight regions and also at the North Dakota State Hospital. The additional funding of $300,000 recommended in the Governor's budget would allow more consumers to receive this valuable recovery service, as well as providing increased opportunity for individuals to be employed as Peer Specialists.

MHAND strongly urges the committee's support of HB1012, and prioritizes the need for funding for Peer Support. This is a small proportion of the budget, but has the ability to make a great impact.

I appreciate the opportunity to speak with you today, and would be happy to answer any questions you might have. Thank you very much.

Testimony
House Bill 1012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Nancy McKenzie, Public Policy Director for Mental Health America of North Dakota (MHAND). I am here today to speak in support of HB1012.

MHAND is very supportive of the further development of community-based services for individuals with mental illness and/or substance use problems that this budget proposal includes.

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- In the area of capacity, we support the addition of crisis residential, transitional living, and long-term residential beds in various regions of the state. This will strengthen the local care continuums, allowing individuals to have avert hospitalization or have shorter hospital stays; and, will provide support for a longer period of time to allow individuals to have assistance in adapting to gradually more independent living. North Dakota has positively added community services over time, and we encourage continued development in this direction.
- Funding for additional case management services and temporary staff in the Southeast Human Service Center (SEHSC) region is a positive response to capacity issues there. We anticipate that this additional support will be helpful in the continuing effort to decrease inpatient hospitalizations, a large number of which occur in this region.

We would also like to speak to our very strong support of the additional funding for Peer Support services in HB1012. As you are aware, Peer Support is an established evidence-based practice within the Recovery Model. As such, it is backed up by research and predictive of success when followed as designed.

The North Dakota peer support brochure says: "Peer support is a structured relationship where a trainee Certified Peer Specialist who has gone through recovery assists others with mental health issues to identify and achieve life goals as part of their own recovery process." Peer support is a vital adjunct to a strong recovery model, and the ability to enhance this service is important in the overall continuum in North Dakota.

There are many reasons why this is an excellent investment:

- Peer support has been identified as one of the ten essential components of recovery, and an essential element of an environment conducive to community integration;
- Over 25 studies have shown the efficacy of peer support in terms of improved mental health, community cost-effectiveness, reduced symptomatology, improved coping skills, increased medication compliance, reduced hospitalizations, increased consumer satisfaction;
- Peer support not only gives people with serious mental illness a voice, but also an opportunity to use their experiences as strengths as opposed to weaknesses, changing in role from helpee to helper and creating a social network.

Examples of cost-effectiveness noted in various studies include:

- Consumers using peer specialist cost the state, on average per year, $997 versus the average cost of $6491 in day treatment (Georgia, 2006);

- Follow-up re-hospitalization rates of individuals with peer matches was significantly less than that in the two years prior. Individuals who previously were re-hospitalized an average of 60% of the time, were re-hospitalized just 19% of the time when peer support was in place (National Health Data Systems study); and,
- Utilizing peer specialists for respite services was able to reduce involuntary hospitalizations by 32%, leading to significant savings (OptumHealth analysis of Pierce County, WA services).

Peer support is also beginning to be recognized as an area of emphasis to transform the behavioral health workforce and prepare for anticipated workforce shortages. Many grant funding resources are also requiring active peer involvement in programs applying for assistance.

North Dakota's peer support program is in place across the state now, with active services in the eight regions and also at the North Dakota State Hospital. The additional funding of $300,000 recommended in the Governor's budget would allow more consumers to receive this valuable recovery service, as well as providing increased opportunity for individuals to be employed as Peer Specialists.

MHAND strongly urges the committee's support of HB1012, and prioritizes the need for funding for Peer Support. This is a small proportion of the budget, but has the ability to make a great impact.

I appreciate the opportunity to speak with you today, and would be happy to answer any questions you might have. Thank you very much.

#69

Testimony
House Bill 1012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Shiobhan Deppa, representing the Consumer Family Network (CFN) of North Dakota. I am here today to speak in support of HB1012, particularly the additional funding for Peer Support services.

The CFN is dedicated to ensuring that the mental healthcare system of North Dakota, including community recovery support programs, is consumer and family driven. Our Council and members are actively involved in efforts to improve the care system and strengthen its focus on recovery.

Peer support is a critical part of the services available to people who need help in order to live in the community. Certified specialists are "matched" with clients, and help them in such areas as skills teaching, social/emotional support, recreation, advocacy, and linking with other resources

Studies have shown that these services are cost-effective, but most importantly, people experience the recovery they deserve. Wellness and recovery must include not only the meeting basic physical needs, but also self-esteem and acceptance. Peer support services help meet these needs.

The most effective outcome information is probably that provided by clients themselves. Following are statements made by clients in our state who receive peer support services:

- "Being able to sit down with peers in a safe environment and discuss our situations and life experiences is extremely helpful in being able to function day to day.

- Peer support is teaching me the tools to help others. I have gone through a lot in my past and want to help other people who are living difficult lives. I can help people stop suffering just by being there and supporting them.
- Since I have been going to peer support at the recovery center I have been able to turn my life around. I am in recovery now, I still have downfalls but thanks to these wonderful people who care about us and are willing to listen, I can get back on my feet again.
- I am a Certified Peer Specialist and I enjoy my job and being able to help others. I have learned so much since we started and my life has improved as I continue to learn more about recovery. I see how important it is to give back and help others who are struggling because it is making me a stronger person.
- Peer support has helped me to keep my job. I used to get frustrated with my job or my boss and quit. My Peer Support Specialist has helped me to learn to talk to my boss and talks to me when I am frustrated. I have been working at the same place for over a year now."

As this shows, peer support is an important part of North Dakota's mental health system of care, helping people to achieve recovery.

In closing, the Consumer Family Network of North Dakota asks for your support of HB1012 and the additional funding for peer support services.

Thank you for hearing my testimony today; I would be happy to answer any questions.

#70

Senate Appropriations
Senator Holmberg, Chairman
House Bill No. 1012
March 13, 2013

Chairman Holmberg and Members of the Committee, I am Corinne Hofmann, Director of Policy and Operation for the Protection and Advocacy Project [P&A]. I would like to testify in support of the Executive budget submitted for the Department of Human Services and ask the committee to restore funding to Regional Human Service Centers in the area of Mental Health Services.

Mental health treatment works and mental health services are an investment that makes sense. Not only does mental health treatment allow individuals to recover and regain their independence and ability to contribute to society, at the most basic economic level, it keeps people with mental illnesses out of more expensive inpatient psychiatric treatment, emergency rooms, and jails.

It is in everyone's interest that the need for mental health services be addressed in a cost effective way. To accomplish this, it is critical that the Department be given the resources to develop and maintain a continuum of services that ensures individuals are placed or remain in less restrictive settings and the community.

With this goal in mind, we ask you to restore funding for additional crisis beds in the west-central region ($324,156) and a 16-unit transitional living facility in the southeast region ($1.3 million, of which $975,000 is general funds).

We also ask you to restore the $40,000.00 cut from each Regional Human Service Center budget for the Transition to Independence Program (TIP). TIP provides wraparound case management services for individuals between the ages of 14-24 who are at risk. These are youth and young adults who, due to deprivation or other activities, are involved with the foster care or juvenile justice system; who have serious mental illness or serious disabilities that do

not qualify them for other types of case management; or who have suicidal tendencies.

TIP provides the support necessary for these individuals to make a successful transition from adolescence to adulthood and to becoming self-sufficient members of their community.

P&A is very concerned that individuals end up in more costly settings due to a lack of sufficient community resources and services. We applaud the Department of Human Services for recognizing the need for adequate community-based supports for people with mental health issues. We ask this committee to support the Executive budget and restore requested funding.

This concludes my comments and I would be happy to answer any questions the committee might have. Thank you.

#71

Testimony
Engrossed House Bill 1012–Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 13, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services. I am here today to provide you an overview of the One Center - North Dakota State Hospital and North Dakota Developmental Center for the Department of Human Services.

North Dakota State Hospital Programs:

The North Dakota State Hospital (NDSH) provides short-term acute inpatient psychiatric and substance abuse treatment, intermediate psycho-social rehabilitation services, forensic services, and safety net services for adults. Within this group of adult patients are offenders referred to the Tompkins Rehabilitation and Corrections Center by the Department of Corrections and Rehabilitation (DOCR) for residential addiction treatment services.

These patients are considered to be the traditional patient population of the NDSH.

The NDSH 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 NDSH.

North Dakota State Hospital Census:

The NDSH operates 289 beds.

The NDSH utilizes 90 of these beds to provide addiction services to 60 male and 30 female offenders in the Tompkins Rehabilitation and Corrections Center.

The NDSH utilizes 123 beds for acute inpatient and intermediate psycho-social rehabilitation services for the treatment of adults with serious and persistent mental illness and chemical addiction. Inpatient and psycho-social rehabilitation services were highly occupied from 2006 through 2008, with occupancy often running 95 percent to 100 percent and occasionally exceeding 100 percent. The major reasons for this high occupancy were the admission of first time patients, chronic patients awaiting referral to residential settings, and the increased need for treatment of patients with complex medical and psychiatric issues.

The inpatient psychiatric service during the past four years (2009–2012) saw an increase in total admissions and a decrease in average daily population. Average occupancy was 86 percent during the past four years, and this better aligns with the ratio of staff to patients because the NDSH staffs patient units for 85 percent occupancy.

The decrease in occupancy can be attributed to increased community service options, treatment in local psychiatric inpatient facilities, and more discharge options for chronic patients.

The Tompkins Rehabilitation and Corrections Center and the Inpatient Psychiatric Service admissions and average daily population data is outlined in Attachments A (1) and (2).

The NDSH operates 76 beds in the secure services unit (sex offender program), and at the end of 2012 had an occupancy of 65 patients, 6 patients currently on definite leave at the DOCR and 11 patients in evaluation status. The NDSH also operates a Transitional Living Home on the campus for sex offenders in the late stages of their commitment to the program.

The census data on the sex offender population is outlined in Attachment B.

In summary, the Executive Budget recommendation for the NDSH is for a total capacity of 289 patients. The breakdown by program includes: 90 beds in the Tompkins Rehabilitation and Corrections Center, 76 beds in the Secure Services Unit (sex offender program,) and 123 beds for inpatient psychiatric services.

Major Program Changes/Trends:

Hospital admissions and average daily population are driven by several factors:

- The NDSH is the primary inpatient facility for the Jamestown, Devils Lake, Dickinson, and Williston regions.

- The contract with the DOCR for addiction treatment services.

- Individuals with intellectual disabilities are being referred because of major behavioral and psychiatric issues.

- An increase in forensic evaluations and admissions.

- An increase in acuity of patients as 50% of inpatient admissions require acute detoxification and/or addiction services and the typical psychiatric patient is severely ill with the potential for violence or suicide, which does not abate within a few days of hospitalization.

- Fifty-Six percent of the NDSH admissions come from the South Central (36 percent) and Southeast (20 percent) regions of the state.

- Secure Services had its first discharge in 2008, and 21 individuals have been discharged from the sex offender program to date. (Two returned to prison, and one to the sex offender program.)

Overview of Budget Changes in Traditional Services:

Description	2011-2013 Budget	Increase/ Decrease	2013-2015 Executive Budget	House Changes	To Senate
Institutions	62,674,383	(311,423)	62,362,960	(425,000)	61,937,960
General Fund	42,527,980	580,817	43,108,797	(425,000)	42,683,797
Federal Funds	2,609,783	(830,292)	1,779,491		1,779,491
Other Funds	17,536,620	(61,948)	17,474,672		17,474,672
Total	62,674,383	(311,423)	62,362,960	(425,000)	61,937,960
FTE	371.83	(2.06)	369.77		369.77

Budget Changes from Current Budget to Executive Budget:

The overall budget decreased by $311,423 and can be mainly attributed to the following:

- $1,176,457 in total funds, of which $1,131,750 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $1,047,147 in total funds, of which $993,046 is general fund needed to fund employee increases approved by the last Legislative Assembly.

- A decrease of $46,383 due to the salary underfund of $843,369 for 2013-15 being larger than the current underfund.

- An increase of $402,145 due to shift differential and overtime for Secure Services being budgeted in the traditional budget for 2013-15.

- A decrease of $810,563 due to the elimination of the inpatient child and adolescent program at the State Hospital.

- A decrease in temporary salaries of $90,266, of which $90,266 is general fund, due to the elimination of the temporary Director of Nursing position.

- A decrease of $144,586 due to the reclassification of a position from a psychiatrist to a family practice physician.

- A decrease of $91,232 due to the hiring a family practice physician at a lower salary to replace a contract.

- A decrease of $672,767 due to hiring new staff at a lower salary to replace retired staff and other staff that had higher salary levels.

- $53,571 increase in the Travel budget based on Fleet Services projected rates and moving expenses for 3 psychiatrists.

- An increase of $46,923 in Food and Clothing due to the increased cost of providing special diets for patients with medical issues.

- $28,233 decrease in Miscellaneous Supplies due to a reduced need for equipment under $750.

- $82,904 increase in the Office Supplies budget due to the increased purchase of resale supplies in The Gobbler (coffee shop), with a corresponding increase in miscellaneous revenue.

- $36,626 decrease in Office Equipment & Furniture (Under $5,000) due to furniture on the closed inpatient child and adolescent unit being used in other areas.

- $178,436 increase in Utilities due to burning natural gas and heating fuel rather than coal, when new EPA regulations take effect in 2014.

- $60,997 decrease in Insurance costs due to projected rate decreases.

- $126,395 decrease in Rentals/Leases-Equipment. Current budget included rental of a bar code scanning system which was purchased at significant savings.

- $43,060 decrease in repairs. Current budget included dollars for door knobs for patient bedrooms.

- $269,596 decrease in Fees-Professional Services due mainly to a decrease of $380,000 from elimination of a contract for family practice physician, and an increase of $72,192 for a contracted dentist.

- $321,090 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.

- The budget for Equipment Over $5,000 increased by $221,413 due to requests for equipment needed for patient safety, treatment services and grounds maintenance.

- A decrease of $791,083 for Capital Projects, because of capital carryover of $62,601 and $1,800,000 for the emergency generator funded in current budget. The Executive Budget recommendation for major extraordinary repairs at the Hospital is $1,775,168, of which $864,714 is for street reconstruction and $910,454 is for a variety of repair projects

- The general fund increased by $580,817 and the federal funds decreased by $830,292 due to the Federal Medicaid Assistance Program (FMAP).

House Changes:

- Reduced funding for operating expenses by $350,000, of which all is general fund. This reduction would require the NDSH to reduce staff training by half, eliminate stipends for staff to advance their education and postpone necessary repairs until the 15-17 biennium.

- Reduced funding for water temperature controls for the shower rooms in the LaHaug Building by $75,000, of which all is general fund. This operating reduction would cause a safety hazard for patients at the NDSH, as these controls manage the hot and cold water in the showers and the current controls do not meet life safety code.

This concludes my testimony on the 2013-2015 budget for traditional services. I would be happy to answer any questions.

Overview of Budget Changes in Secure Services:

Description	2011-2013 Budget	Increase/ Decrease	2013-2015 Executive Budget	House Changes	To Senate
Institutions	10,944,114	182,562	11,126,676		11,126,676
General Fund	10,944,114	182,562	11,126,676		11,126,676
Federal Funds					
Other Funds					
Total	10,944,114	182,562	11,126,676		11,126,676
FTE	88.68	(1.0)	87.68		87.68

Budget Changes from Current Budget to Executive Budget:

The overall budget increased by $182,562 and can mainly be attributed to the following:

- $254,700 in total funds, of which 100 percent is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $312,126 in total funds, of which 100 percent is general fund needed to fund employee increases approved by the last Legislative Assembly.

- An increase of $46,382 due to the salary underfund of $853,618 for 2013-15 being less than the current underfund.

- A decrease of $402,145 because all shift differential and overtime was budgeted in Traditional Services.

- A decrease in temporary salaries of $59,869 due to a reduction in patient worker salaries and elimination of funding for interns.

- $50,382 decrease in Food and Clothing line item because the DOCR is providing regular diet meals to secure services patients rather than special diet meals and regular diet meals are less costly.

- $24,326 increase in Building, Grounds and Vehicle Supplies due to increases in repair and maintenance costs.

- $30,692 increase in Miscellaneous Supplies due to an increased need for equipment under $750.

- $108,448 increase in Fees-Professional Services for medical problems of long term patients and added psychological evaluations.

- $132,730 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.

House Changes:

There were no changes made to the 2013-2015 budget request for Secure Services.

This concludes my testimony on the 2013–2015 budget request for secure services. I would be happy to answer any questions.

North Dakota Developmental Center (NDDC) Programs:

The NDDC provides services for individuals with developmental and intellectual disabilities. The Center provides residential services, work and day activity services, medical services, clinical services, and outreach services.

Residential Services at the NDDC include:

- **Secure Services Program** – Serves individuals with developmental and intellectual disabilities who have sex offending behaviors and for other individuals from the campus that requires a more secure living environment. These individuals require long-term care.

- **Health Services Program** – Serves individuals with developmental and intellectual 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 developmental disabilities and dual sensory disabilities (vision and hearing). These individuals require long-term care.

- **Behavioral Services Program** – Serves individuals with developmental and intellectual disabilities who also have psychiatric diagnoses and significant challenging behaviors. Some of these individuals may also have less severe medical needs.

- **Youth Transition Services Program** - Serves young people with intellectual disabilities between the ages of 16-25 who have difficulty finding housing and services in the community. The NDDC provides short-term services to these individuals until a community placement can be found.

Outreach Services at the NDDC include:

- **Independent Supported Living Arrangement Program** - The NDDC supports individuals in local community housing so they can live independently. The NDDC provides staffing to support these individuals in these living arrangements.

- **Professional Services Institute** – The NDDC provides outreach services for the community. Behavioral health care has been the initial focus area but has been expanding due to demand for complex health care support statewide.

    - **Outreach Program** – The Clinical Assistance, Resource, and Evaluation Service (CARES) team provides support services in the community to prevent admissions and readmissions and to assist in transitioning people from the NDDC.

    - **CARES Clinic** – The CARES Clinic is a team of professionals who specialize in providing services for people with disabilities who live in the community. Examples of services provided are physical therapy, occupational therapy, speech therapy, adaptive equipment services, dental services, and medical services.

- **Intellectual Disabilities Behavioral Health Service** – This is a team of applied behavioral analysts who deliver behavioral assessment and intervention services to people with developmental and intellectual disabilities throughout North Dakota.

North Dakota Developmental Center Census:

See Attachment C, for the census data at the NDDC for the period of 1997 through 2012.

Major Program Changes/Trends:

- The NDDC added the youth transition program in 2012 and transferred 8 adolescents with intellectual disabilities from the NDSH and we will serve them until community options are available.

- Census at the NDDC was steady for a number of years at an average of 143 individuals until the "transition to community" initiative started in 2005. The current budget request is based on 75 individuals in the intermediate care facility (ICF), 67 adults and 8 youth. The July 2013 transition goal is for 67 total residents in the ICF, but we may fall short of this goal because of the addition of the youth transition program.

- The NDDC will also serve 12 individuals in community based independent living arrangements and 6 individuals from the community in the work and day activity program.

- The population in the intermediate care facility at the NDDC has higher individual care needs.

- The trend is to transform the NDDC into a body of services rather than a place. The elements of transformation include reorganized programming, independent supported living arrangements, community outreach, closing and reorganizing units, suites and buildings, renting or selling underutilized buildings and land, and preparing staff to support the community integration model.

- Dakota East, the vocational program at the Center, recently relocated the Trophy and Engraving business to downtown Grafton. In keeping with our "Without Walls Concept", it gives individuals the opportunity to be involved in their community on a regular basis and work in a real business environment.

Overview of Budget Changes – North Dakota Developmental Center:

Description	2011-2013 Budget	Increase/ Decrease	2013-2015 Executive Budget	House Changes	To Senate
Institutions	50,305,245	2,745,225	53,050,470	(290,000)	52,760,470
General Fund	19,583,796	5,402,456	24,986,252	(290,000)	24,696,252
Federal Funds	27,220,951	(2,156,733)	25,064,218	0	25,064,218
Other Funds	3,500,498	(500,498)	3,000,000	0	3,000,000
Total	50,305,245	2,745,225	53,050,470	(290,000)	52,760,470
FTE	392.76	(0.21)	392.55	0.00	392.55

Budget Changes from Current Budget to Executive Budget:

The Overall Budget increase of $2,745,225 can be explained as follows:

- $1,198,347 in total funds, of which $620,048 is general fund and $578,299, is federal funds needed to fund the Governor's benefit package for health insurance and retirement for state employees.

- $906,428 in total funds, of which $565,080 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- The 2013–2015 Executive Budget recommendation has a salary underfund of $738,692 for the Developmental Center. This is consistent with the 2011-2013 budget.

- The Developmental Center's operating budget for 2013-2015 is not changed from 2011-2013. However, an increase in utilities of $150,000 is due to burning natural gas rather than coal and the increase in the Provider Assessment of $200,000 was covered with decreases in other operating expenses. Some of these expenses were Building and Grounds decreased by $80,000; Repairs decreased by $55,000; Professional Services Fees decreased by $50,000; and Miscellaneous Supplies were decreased by $50,000.

- The Executive Budget recommendation for extraordinary repairs increased by $382,026. The total of extraordinary repairs is $961,495, with $360,000 of the request to demolish the Refectory and Pleasant View Buildings and $601,494 for other extraordinary repairs.

- The Executive Budget recommendation for equipment over $5,000 is $152,000, which is an increase from the current budget as there was no equipment over $5,000 in the 2011-2013 biennium.

- The general fund increased by $5,402,456 and the federal funds decreased by $2,156,733 due to the FMAP decrease.

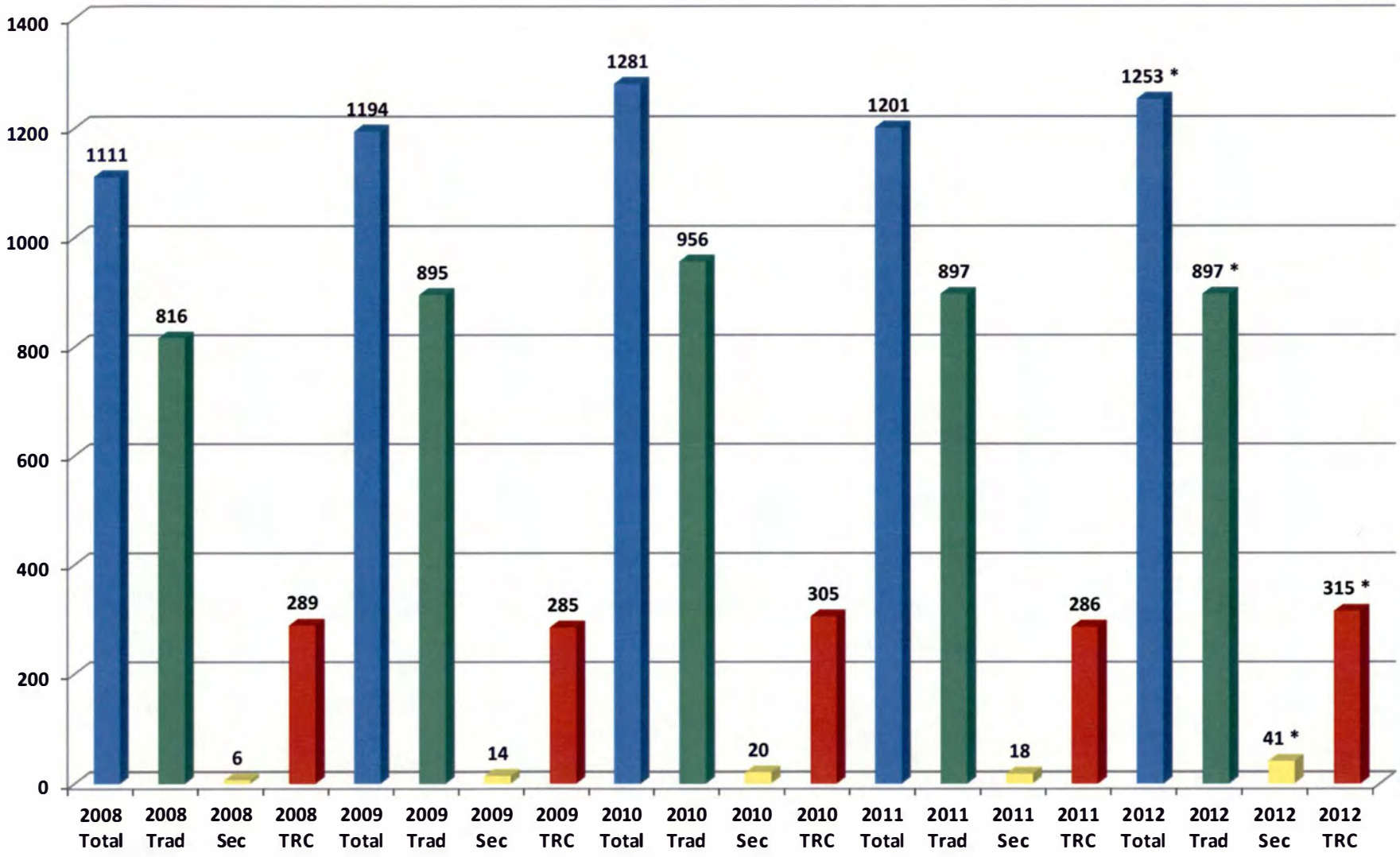
House Changes:

- Decreased funding for demolition of Pleasant View and Refectory buildings to provide a total of $220,000, which resulted in a decrease of $140,000, of which all is general fund. The decrease will not cover the cost of demolition, asbestos removal and transportation of materials to an approved dumping site as estimated by two contractors.

- A $150,000 general fund reduction was made in operating expenditures for the NDDC. This equates to a total operating reduction of approximately $300,000, as general fund monies will not be available to match federal funds. This reduction would require the NDDC to delay scheduled repairs until the 15–17 biennium, reduce the client travel budget for home visits and outings, reduce the food and clothing budget, and reduce medical expenditures.

Thank you. I would happy to answer any questions about the budget request for the North Dakota Developmental Center.

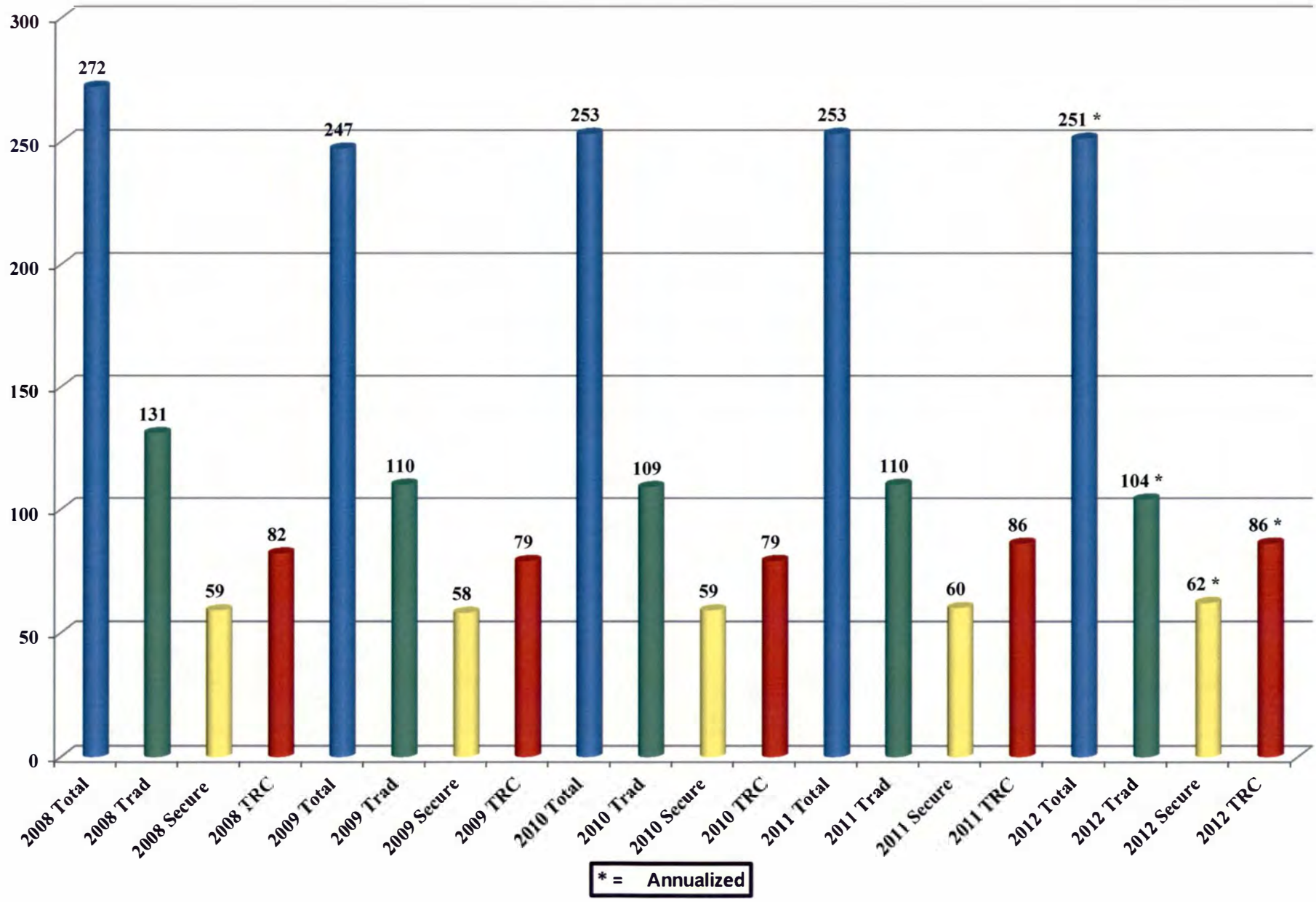
NDSH TOTAL ADMISSIONS



* = *Annualized*

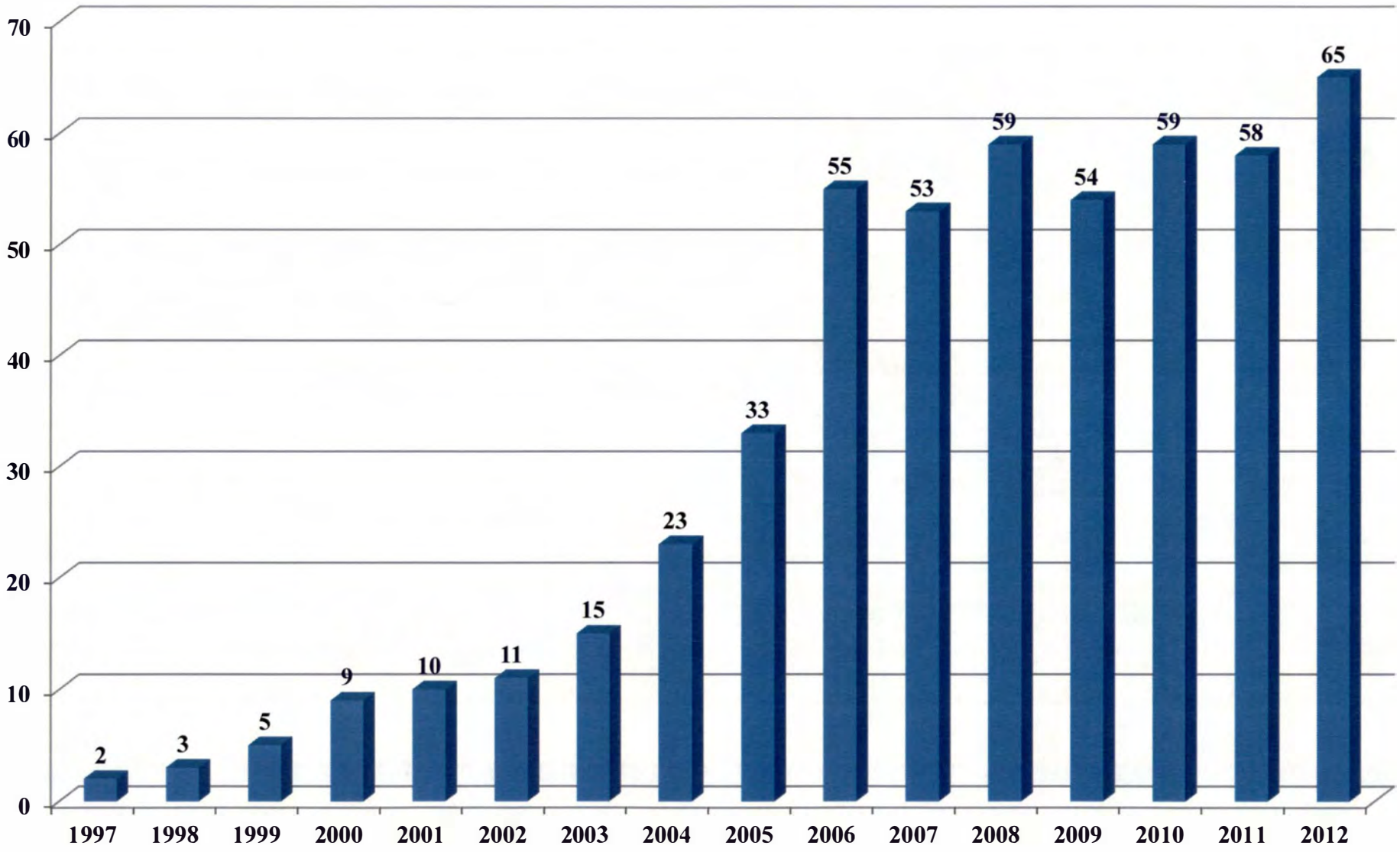
Attachment A (1)

NDSH AVERAGE DAILY POPULATION

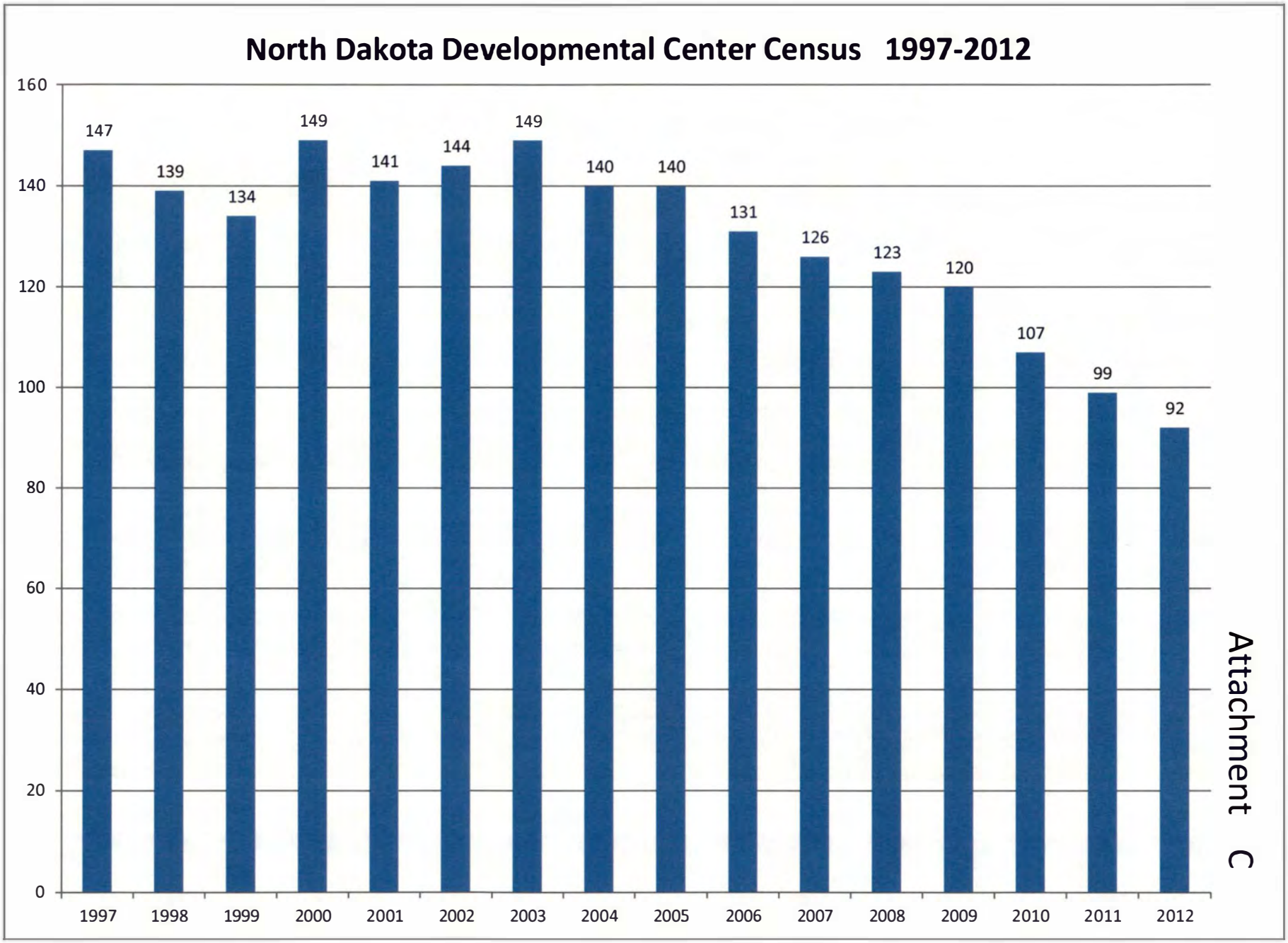


Attachment A (2)

NDSH SEX OFFENDER PROGRAM CENSUS
1997 - 2012



Attachment B



Attachment C

3-20-13 HB 1012 Subcommittee

#1

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
General Information

dark Blue

STAFFING		
Authorized FTE *2007-2009*	2223.38	
Authorized FTE *2009-2011*	2216.88	
Authorized FTE *2011-2013*	2189.35	
Addition of 8 from Special Session=	2197.35	
Proposed Authorized FTE 2013-2015 Biennium		
Administration/Support	66.6	
Information Technology Services	81.5	
Economic Assistance Policy	30.8	
Child Support	165.2	
Medical	56.5	
Developmental Disabilities Council	1	
Aging	11	
Children & Family Services	17	
Mental Health/Substance Abuse	17	
Vocational Rehabilitation	34	
Developmental Disabilities	10	
Statewide HSC Management	13	
Subtotal:	→	*503.6*
Northwest HSC	43.75	
North Central HSC	120.78	
Lake Region HSC	61	
Northeast HSC	138.5	
Southeast HSC	185.15	
South Central HSC	83.5	
West Central HSC	136.1	
Badlands HSC	74.7	
Subtotal:	→	843.48
State Hospital	457.45	
Developmental Center	392.55	
Subtotal:	→	850
	2197.08	

light Blue

TURNOVER	2011	2012
Central Office	7.85%	9.70%
Northwest HSC	33.19%	25.69%
North Central HSC	7.92%	20.45%
Lake Region HSC	3.64%	9.09%
Northeast HSC	10.43%	12.83%
Southeast HSC	10.07%	6.79%
South Central HSC	11.04%	6.11%
West Central HSC	5.26%	9.18%
Badlands HSC	13.08%	14.43%
State Hospital	12%	16.22%
Developmental Center	13.58%	13.38%

← green

2012 Departmentwide	12.48%
2011 Departmentwde	10.64%
2010 Departmentwide	11.45%

Light green

VACANCY RATES	
December 31, 2012	5.38%
December 31, 2011	3.84%
December 31, 2010	4.24%

- Purple

COMPENSATION	
Compa ratio 7-1-12	0.83
% of employees below market	88%
# of employees below market	1933

orange

HB 1012 3-20-13 Subcommittee

Footnote:
Compa ratio is a calculation of the employee's salary in relation to market. If an employee is paid exactly at the market policy point, compa ratio is 1.0. Compa ratio should be no less than 0.75 and no more than 1.25. A compa ratio of 0.75 means that the employee is 25% behind the market in terms of pay.

Prepared by DHS HR Division
January 8, 2013

#1

HB 1012 #2
Subcommittee
3-20-13

Department of Human Services
2013 - 2015 Budget

Subdivision	Fund	Current Budget 2011 - 2013	Executive Budget Recommendation 2013 - 2015	Total Changes	Pct of Chg
100-15 ADMINISTRATION - SUPPORT -Agency Salary	1 General		$16,807,628	$16,807,628	100.00%
100-15 ADMINISTRATION - SUPPORT -Agency Salary	2 Federal		$7,551,256	$7,551,256	100.00%
100-15 ADMINISTRATION - SUPPORT -Agency Salary Total			**$24,358,884**	**$24,358,884**	**100.00%**
100-15 ADMINISTRATION - SUPPORT -Oil Impact	1 General		$3,253,008	$3,253,008	100.00%
100-15 ADMINISTRATION - SUPPORT -Oil Impact	2 Federal		$514,992	$514,992	100.00%
100-15 ADMINISTRATION - SUPPORT -Oil Impact Total			**$3,768,000**	**$3,768,000**	**100.00%**
100-15 ADMINISTRATION - SUPPORT	1 General	$7,804,302	$8,388,036	$583,734	7.48%
100-15 ADMINISTRATION - SUPPORT	2 Federal	$7,092,730	$8,569,456	$1,476,726	20.82%
100-15 ADMINISTRATION - SUPPORT Total		**$14,897,032**	**$16,957,492**	**$2,060,460**	**13.83%**
100-20 INFORMATION TECHNOLOGY SRVCS	1 General	$36,860,443	$34,140,080	($2,720,363)	-7.38%
100-20 INFORMATION TECHNOLOGY SRVCS	2 Federal	$93,913,538	$42,222,799	($51,690,739)	-55.04%
100-20 INFORMATION TECHNOLOGY SRVCS	3 Special	$1,996,680	$2,614,944	$618,264	30.96%
100-20 INFORMATION TECHNOLOGY SRVCS Total		**$132,770,661**	**$78,977,823**	**($53,792,838)**	**-40.52%**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	1 General	$10,789,107	$8,239,253	($2,549,854)	-23.63%
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	2 Federal	$317,470,807	$277,733,467	($39,737,340)	-12.52%
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	3 Special	$18,746,727	$20,949,980	$2,203,253	11.75%
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS Total		**$347,006,641**	**$306,922,700**	**($40,083,941)**	**-11.55%**
300-02 CHILD SUPPORT ENFORCEMENT	1 General	$6,834,904	$7,237,806	$402,902	5.89%
300-02 CHILD SUPPORT ENFORCEMENT	2 Federal	$15,168,700	$15,692,111	$523,411	3.45%
300-02 CHILD SUPPORT ENFORCEMENT	3 Special	$3,036,753	$3,084,660	$47,907	1.58%
300-02 CHILD SUPPORT ENFORCEMENT Total		**$25,040,357**	**$26,014,577**	**$974,220**	**3.89%**
300-03 MEDICAL SERVICES	1 General	$235,840,610	$292,166,123	$56,325,513	23.88%
300-03 MEDICAL SERVICES	2 Federal	$428,567,639	$359,155,407	($69,412,232)	-16.20%
300-03 MEDICAL SERVICES	3 Special	$36,057,288	$41,834,984	$5,777,696	16.02%
300-03 MEDICAL SERVICES Total		**$700,465,537**	**$693,156,514**	**($7,309,023)**	**-1.04%**
300-10 LONG TERM CARE	1 General	$428,448,186	$561,778,121	$133,329,935	31.12%
300-10 LONG TERM CARE	2 Federal	$516,704,994	$544,776,383	$28,071,389	5.43%
300-10 LONG TERM CARE	3 Special	$4,021,846	$3,107,026	($914,820)	-22.75%
300-10 LONG TERM CARE Total		**$949,175,026**	**$1,109,661,530**	**$160,486,504**	**16.91%**
300-42 DD COUNCIL	2 Federal	$915,889	$910,507	($5,382)	-0.59%
300-42 DD COUNCIL Total		**$915,889**	**$910,507**	**($5,382)**	**-0.59%**
300-43 AGING SERVICES	1 General	$4,788,173	$6,687,109	$1,898,936	39.66%
300-43 AGING SERVICES	2 Federal	$13,073,669	$12,555,458	($518,211)	-3.96%
300-43 AGING SERVICES	3 Special	$279,250	$280,000	$750	0.27%
300-43 AGING SERVICES Total		**$18,141,092**	**$19,522,567**	**$1,381,475**	**7.62%**
300-46 CHILDREN AND FAMILY SERVICES	1 General	$34,197,540	$40,289,617	$6,092,077	17.81%
300-46 CHILDREN AND FAMILY SERVICES	2 Federal	$81,259,109	$85,393,250	$4,134,141	5.09%
300-46 CHILDREN AND FAMILY SERVICES	3 Special	$20,092,854	$22,723,390	$2,630,536	13.09%
300-46 CHILDREN AND FAMILY SERVICES Total		**$135,549,503**	**$148,406,257**	**$12,856,754**	**9.48%**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	1 General	$6,379,168	$7,872,760	$1,493,592	23.41%

Department of Human Services
2013 - 2015 Budget

	Subdivision	Fund	Current Budget 2011 - 2013	Executive Budget Recommendation 2013 - 2015	Total Changes	Pct of Chg
green	300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	2 Federal	$11,579,368	$14,768,570	$3,189,202	27.54%
	300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	3 Special	$570,860	$570,860		
Yellow –	**300-47 MENTAL HEALTH AND SUBSTANCE ABUSE Total**		**$18,529,396**	**$23,212,190**	**$4,682,794**	**25.27%**
	300-51 VOC REHAB	1 General	$5,027,758	$5,462,185	$434,427	8.64%
	300-51 VOC REHAB	2 Federal	$22,736,824	$19,938,264	($2,798,560)	-12.31%
	300-51 VOC REHAB	3 Special	$95,000	$85,000	($10,000)	-10.53%
Yellow	**300-51 VOC REHAB Total**		**$27,859,582**	**$25,485,449**	**($2,374,133)**	**-8.52%**
	300-52 DEVELOPMENTAL DISABILITIES DIVISION	1 General	$4,058,095	$4,902,711	$844,616	20.81%
	300-52 DEVELOPMENTAL DISABILITIES DIVISION	2 Federal	$6,761,950	$6,089,106	($672,844)	-9.95%
	300-52 DEVELOPMENTAL DISABILITIES DIVISION	3 Special	$150,003		($150,003)	-100.00%
Yellow	**300-52 DEVELOPMENTAL DISABILITIES DIVISION Total**		**$10,970,048**	**$10,991,817**	**$21,769**	**0.20%**
	410-70 STATE-WIDE HSC MANAGEMENT	1 General	$4,653,031	$4,994,616	$341,585	7.34%
	410-70 STATE-WIDE HSC MANAGEMENT	2 Federal	$1,349,834	$1,075,139	($274,695)	-20.35%
Yellow	**410-70 STATE-WIDE HSC MANAGEMENT Total**		**$6,002,865**	**$6,069,755**	**$66,890**	**1.11%**
	410-71 NORTHWEST HSC	1 General	$4,614,269	$5,393,391	$779,122	16.89%
	410-71 NORTHWEST HSC	2 Federal	$3,177,416	$2,966,763	($210,653)	-6.63%
	410-71 NORTHWEST HSC	3 Special	$469,006	$598,037	$129,031	27.51%
Yellow	**410-71 NORTHWEST HSC Total**		**$8,260,691**	**$8,958,191**	**$697,500**	**8.44%**
	410-72 NORTH CENTRAL HSC	1 General	$11,948,432	$12,803,866	$855,434	7.16%
	410-72 NORTH CENTRAL HSC	2 Federal	$8,248,234	$8,062,838	($185,396)	-2.25%
	410-72 NORTH CENTRAL HSC	3 Special	$919,437	$1,122,467	$203,030	22.08%
Yellow	**410-72 NORTH CENTRAL HSC Total**		**$21,116,103**	**$21,989,171**	**$873,068**	**4.13%**
	410-73 LAKE REGION HSC	1 General	$6,760,312	$7,573,786	$813,474	12.03%
	410-73 LAKE REGION HSC	2 Federal	$4,011,552	$4,581,692	$570,140	14.21%
	410-73 LAKE REGION HSC	3 Special	$472,442	$580,655	$108,213	22.91%
Yellow	**410-73 LAKE REGION HSC Total**		**$11,244,306**	**$12,736,133**	**$1,491,827**	**13.27%**
	410-74 NORTHEAST HSC	1 General	$12,366,839	$13,744,433	$1,377,594	11.14%
	410-74 NORTHEAST HSC	2 Federal	$12,540,280	$12,183,785	($356,495)	-2.84%
	410-74 NORTHEAST HSC	3 Special	$1,770,209	$1,954,557	$184,348	10.41%
Yellow	**410-74 NORTHEAST HSC Total**		**$26,677,328**	**$27,882,775**	**$1,205,447**	**4.52%**
	410-75 SOUTHEAST HSC	1 General	$18,343,446	$23,348,246	$5,004,800	27.28%
	410-75 SOUTHEAST HSC	2 Federal	$15,227,364	$14,459,843	($767,521)	-5.04%
	410-75 SOUTHEAST HSC	3 Special	$1,175,525	$1,222,383	$46,858	3.99%
Yellow	**410-75 SOUTHEAST HSC Total**		**$34,746,335**	**$39,030,472**	**$4,284,137**	**12.33%**
	410-76 SOUTH CENTRAL HSC	1 General	$8,860,138	$8,980,593	$120,455	1.36%
	410-76 SOUTH CENTRAL HSC	2 Federal	$6,691,551	$6,713,721	$22,170	0.33%
	410-76 SOUTH CENTRAL HSC	3 Special	$918,601	$1,099,569	$180,968	19.70%
Yellow	**410-76 SOUTH CENTRAL HSC Total**		**$16,470,290**	**$16,793,883**	**$323,593**	**1.96%**

Department of Human Services
2013 - 2015 Budget

	Subdivision	Fund	Current Budget 2011 - 2013	Executive Budget Recommendation 2013 - 2015	Total Changes	Pct of Chg
Green	410-77 WEST CENTRAL HSC	1 General	$13,907,335	$16,557,764	$2,650,429	19.06%
	410-77 WEST CENTRAL HSC	2 Federal	$11,696,382	$11,727,264	$30,882	0.26%
	410-77 WEST CENTRAL HSC	3 Special	$1,397,717	$1,541,718	$144,001	10.30%
Yellow	**410-77 WEST CENTRAL HSC Total**		**$27,001,434**	**$29,826,746**	**$2,825,312**	**10.46%**
	410-78 BADLANDS HSC	1 General	$6,497,329	$7,026,670	$529,341	8.15%
	410-78 BADLANDS HSC	2 Federal	$4,426,122	$4,332,504	($93,618)	-2.12%
	410-78 BADLANDS HSC	3 Special	$834,240	$986,544	$152,304	18.26%
Yellow	**410-78 BADLANDS HSC Total**		**$11,757,691**	**$12,345,718**	**$588,027**	**5.00%**
	420-00 STATE HOSPITAL	1 General	$42,527,980	$43,108,797	$580,817	1.37%
	420-00 STATE HOSPITAL	2 Federal	$2,609,783	$1,779,491	($830,292)	-31.81%
	420-00 STATE HOSPITAL	3 Special	$17,536,620	$17,474,672	($61,948)	-0.35%
Yellow	**420-00 STATE HOSPITAL Total**		**$62,674,383**	**$62,362,960**	**($311,423)**	**-0.50%**
	421-00 SH SECURED SERVICES	1 General	$10,944,114	$11,126,676	$182,562	1.67%
	421-00 SH SECURED SERVICES	3 Special				
yellow	**421-00 SH SECURED SERVICES Total**		**$10,944,114**	**$11,126,676**	**$182,562**	**1.67%**
	430-00 DEVELOPMENTAL CENTER	1 General	$19,583,796	$24,986,252	$5,402,456	27.59%
	430-00 DEVELOPMENTAL CENTER	2 Federal	$27,220,951	$25,064,218	($2,156,733)	-7.92%
	430-00 DEVELOPMENTAL CENTER	3 Special	$3,500,498	$3,000,000	($500,498)	-14.30%
Yellow	**430-00 DEVELOPMENTAL CENTER Total**		**$50,305,245**	**$53,050,470**	**$2,745,225**	**5.46%**
	AGENCY	1 General	$942,035,307	$1,176,869,527	$234,834,220	24.93%
	AGENCY	2 Federal	$1,612,444,686	$1,488,818,284	($123,626,402)	-7.67%
	AGENCY	3 Special	$114,041,556	$124,831,446	$10,789,890	9.46%
Yellow	**AGENCY Total**		**$2,668,521,549**	**$2,790,519,257**	**$121,997,708**	**4.57%**

4

3-11-1
8:30AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Carol Cartledge, Director of Economic Assistance Policy Division of the Department of Human Services (DHS). I am here today to provide you an overview of the Economic Assistance program area.

Programs

Economic Assistance Policy Division (EAP) is responsible for eligibility of Basic Care Assistance Program, Child Care Assistance Program, Crossroads, a program for teen parents, Low Income Home Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF) Program. The Division's work includes:

- Distribution of benefits to recipients and payments to providers;
- Direction, supervision, and training of county social services office staff on the administration of EAP programs;
- Implementation of applicable state and federal laws;
- Policy and procedures for determining eligibility in the computer systems; and
- Preparation of required state and federal reports.

EAP also includes Quality Control/Assurance and Regional Representative Units. The Quality Control/Assurance Unit completes case reviews of Child Care Assistance, SNAP, Healthy Steps (Children's Health Insurance Program), Medicaid, and TANF. Regional

Representatives are the liaisons between Economic Assistance programs and county social service eligibility workers.

Caseload

EAP will direct and supervise county social services' determination of eligibility for the following:

Basic Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 615 residents of licensed basic care facilities, compared to the 2011-2013 biennium budget which was based on an average of 536 residents.

Child Care Assistance: For the 2013-2015 biennium, EAP estimates serving an average of 3,170 cases per month, and the program will pay about 3,055 qualified child care providers an average monthly benefit per case of $275. This compares to the 2011-2013 biennium budget, which was based on an average of 3,915 cases per month receiving an average monthly benefit of $219.

SNAP: For the 2013-2015 biennium, EAP estimates serving an average of 27,671 cases each month that receive an average monthly benefit of $303, which is used to buy food at about 475 grocers in North Dakota. This compares to the 2011-2013 biennium budget, which was based on an average of 33,890 cases per month receiving an average monthly benefit of $297.

LIHEAP: For the 2013-2015 biennium, EAP estimates serving an average of 6,578 cases each month during the heating season, and paying about 400 energy providers an average monthly benefit per case of $230. This compares to the 2011-2013 biennium budget, which was based on approximately 6,910 cases per month during the heating season receiving

an average monthly benefit of $238. Also included is $5,070,000 for weatherization and emergency furnace repair and replacement.

TANF: For the 2013-2015 biennium, EAP estimates serving an average of 1,777 cases each month that will receive an average monthly benefit of $331. The Job Opportunities and Basic Skills (JOBS) program will work with 1,213 cases to find jobs and promote family self-sufficiency at an average monthly cost of $251. In comparison, the 2011-2013 biennium budget was based on an average of 2,253 TANF cases per month receiving an average monthly benefit of $302 and JOBS working with 1,221 cases at an average monthly cost of $246.

Kinship Care: For the 2013-2015 biennium, EAP estimates helping an average of 23 cases each month receiving an average monthly benefit of $726 compared to the 2011-2013 biennium budget, which was based on approximately 29 cases each month receiving an average monthly benefit of $614. These children would otherwise be in foster care.

Program Trends/Major Program Changes

Child Care Assistance: The child care caseloads are lower due to fewer families qualifying for benefits or qualifying for a lower benefit amount as a result of increased wages in North Dakota and implementation of a revised co-payment structure. As a result of the lower caseloads, the program increased maximum allowable rates paid to licensed providers, lowered family co-payments and reinstated payments for child care while qualifying individuals pursue a four-year degree in accordance with N.D.C.C. 50-33-03 – Available Benefits. The program is due for federal reauthorization by the end of March 2013.

SNAP: SNAP is the cornerstone of United States Department of Agriculture's nutrition programs and is the safety net that helps qualifying low-income people buy food to help them meet their nutrition needs. The caseload during the 2011-2013 biennium stabilized and caseloads did not increase as expected. The program is due for federal reauthorization by the end of September 2013, and at this time it is uncertain what will be contained in a new Farm Bill.

LIHEAP: The LIHEAP caseload has remained fairly stable. North Dakota will meet the heating needs of the LIHEAP clients in the 2013-2015 biennium, although FFY 2013 funding is not yet final. The program is due for federal reauthorization by the end of March 2013.

TANF: North Dakota continues to exceed the federally required 50 percent work participation rate without the addition of the caseload reduction credit. As a result of case management by employment contractors, pay after performance, and job opportunities in North Dakota, the TANF caseload remains below 2,000 cases per month. The program is due for federal reauthorization by the end of March 2013.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / (Decrease)	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	4,165,962	677,180	4,843,142	-	4,843,142
Operating	11,589,109	(404,050)	11,185,059	-	11,185,059
Grants	331,251,570	(40,357,071)	290,894,499	-	290,894,499
Total	347,006,641	(40,083,941)	306,922,700	-	306,922,700
General Funds	10,789,107	(2,549,854)	8,239,253	-	8,239,253
Federal Funds	317,470,807	(39,737,340)	277,733,467	-	277,733,467
Other Funds	18,746,727	2,203,253	20,949,980	-	20,949,980
Total	347,006,641	(40,083,941)	306,922,700	-	306,922,700
FTE	30.8	-	30.8	-	30.8

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by $677,180 and can be attributed to the following:

- $106,419 in total funds, of which $49,840 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $114,442 in total funds, of which $64,076 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- $195,542 increase, of which $79,781 is general fund, to provide for an additional 21 months of funding for the Health Care Reform eligibility and policy training position that was originally funded for three months during the November 2011 special session.
- $100,191 increase, of which $38,252 is general fund, to fund payouts for nine employees expected to retire in the 2013-2015 biennium.
- $122,566 increase, of which $4,903 is general fund, for an additional temporary position to lessen the impact on current staff involved in the eligibility system modernization project.
- The remaining $38,020 is a combination of increases and decreases needed to sustain the salaries of the 30.8 FTEs in this area of the budget.

The Operating line item decreased by $404,050 and is a combination of increases and decreases expected next biennium. The majority of which can be attributed to:

- $77,469 increase in travel due to bringing county eligibility workers for the eligibility system modernization project. In addition, the Quality Control Lead Reviewer is traveling from Jamestown to Bismarck on a biweekly basis or as needed. The previous Lead Reviewer was located in Bismarck.

- $368,574 decrease in the Operating Fees and Services budget is due to the Payment Error Rate Measurement required review under the Child Care Assistance program, which is no longer being contracted out. The reviews are now being completed by Quality Control/Quality Assurance Unit staff.
- $109,372 decrease in printing due to fewer manual letters being printed and an increase in electronic documents.

The Grants line item decreased by $40,357,071 and is a combination of the increases and decreases expected next biennium. The majority of the decreases can be attributed to:

- SNAP decrease of $40,653,014, all federal funds, which is due to 2011-2013 biennium caseload estimates not increasing as expected.
- TANF Regular Benefit decrease of $2,137,877, all federal funds, which is due to the 2011-2013 biennium caseload estimates not increasing as expected.
- LIHEAP increase of $1,956,853, all federal funds, which is based on estimated weather and fuel price trends.

The general fund request decreased by $2,549,854 but was offset by an increase of $2,203,253 in other funds.

The net change of the federal and other funds is a result of the increase and decreases above.

House Changes:

No changes were made in the Economic Assistance Policy Division.

This concludes my testimony on the 2013–2015 budget request for the Economic Assistance Policy Division of the Department. I would be happy to answer any questions.

#5
3-11-13
8:30AM

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jim Fleming, Director of the Child Support Division of the Department of Human Services (Department). I am here today to provide you an overview of the child support program for the Department.

Programs

The purpose of the child support program is to enhance the well-being of children and reduce the demands on public assistance programs. The Child Support Division accomplishes this purpose by obtaining child support and medical support from legally-responsible parents and by encouraging positive relationships between parents and their children.

Caseload/Customer Base

The caseload of the Child Support Division consists of two kinds of cases: 1) cases receiving all appropriate establishment, enforcement, and disbursement services under Title IV-D of the Social Security Act (IV-D cases) and 2) cases in which the Child Support Division only issues income withholding orders, maintains payment records, and disburses payments (nonIV-D cases).

A child support case can become a IV-D case upon request from another state or Tribe; upon referral from Foster Care, the Temporary Assistance

for Needy Families program, or Medical Assistance (Medicaid); or upon request from either parent. While it may seem strange that a person who owes child support would apply for child support services, the reality is that the Child Support Division offers many services to help parents find employment, file motions with the court to reduce child support obligations following lay-offs or other reductions in income, and create long-term payment plans for parents who already owe arrears and are having financial difficulties. These payment plans include the suspension of additional interest on the arrears for as long as the plan is being followed.

As shown in the chart below, the total child support caseload was 52,871 in December 2012. The IV-D caseload was 40,611 and the nonIV-D caseload was 12,260. As of September 30, 2012, the most recent date we have data available from the federal government, our caseload included 65,873 children and 79,931 parents.

Department of Human Services
Child Support Cases
December 2001 through December 2012

Case Type	12/2001	12/2002	12/2003	12/2004	12/2005	12/2006	12/2007	12/2008	12/2009	12/2010	12/2011	12/2012
Non IV-D	13,131	11,872	9,474	9,802	9,771	10,314	10,161	9,971	10,410	11,072	11,518	12,260
IV-D	39,047	39,236	40,180	41,385	41,886	42,323	42,540	42,108	42,241	40,399	39,827	40,611
Total	52,178	51,108	49,654	51,187	51,657	52,637	52,701	52,079	52,651	51,471	51,345	52,871

We continue to monitor our caseload carefully for any trends that may be connected to the increased oil field activity.

Program Trends/Major Program Changes

Program Changes

During the current biennium, one of the most recent changes is in the name of our division from "Child Support Enforcement" to "Child Support." Almost 40 years ago, when the child support program was created, the focus of the program was to obtain as many orders as possible and enforce those orders to recoup public assistance expenditures. Presently, the program's focus instead is on maintaining realistic child support obligations that allow parents to make sustained collections of current support that children and families can rely on to meet their needs without applying for public assistance. In national discussions on the current role of the child support program, two common phrases are "arrears management" and "right-sizing orders." These phrases reflect the indirect but significant impact on child support collections when the Child Support Division helps parents with finding employment, managing their arrears debt, and making sure the court-ordered current monthly obligation changes periodically to follow rises and falls in the parent's income.

This name change is one of the last steps in the reorganization of the Child Support Division. The reorganization process began in 2007 when the Legislature transferred administration of the child support program from the counties to the Department to encourage more efficient and consistent services throughout the state. This transfer was a very large undertaking, and was completed with existing staff and resources over the course of several years.

In the last biennium, the organizational structure of the Child Support Division was changed to reflect the revised role of the eight regional units and the central office as components of an integrated statewide program instead of stand-alone offices. The new structure focuses on customer service on a statewide basis and assigns two assistant division directors to supervise four regional offices each. The Child Support Division's commitment to collaborative planning and training was increased, as was the interaction between program managers and field office staff. We believe the reorganization will continue to expand the focus of the child support program beyond enforcement activities to enhanced customer service.

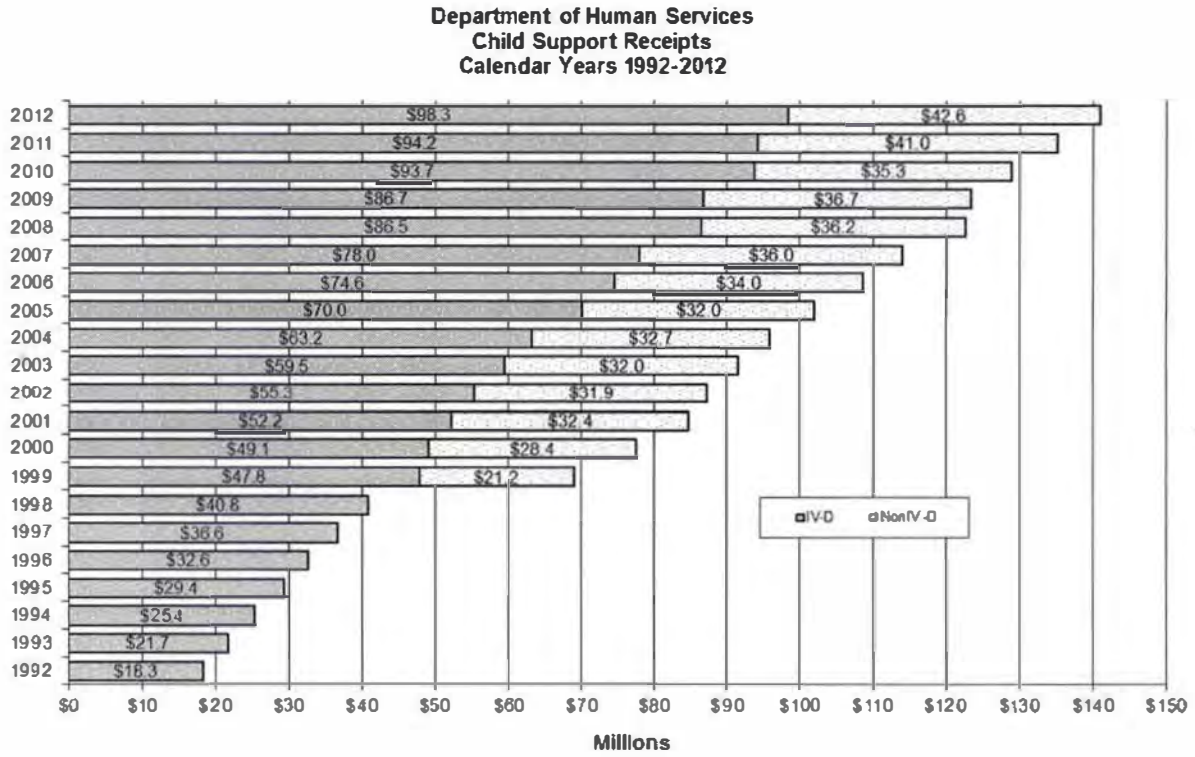
The 2011-2013 biennium has also seen notable increases in collections through income withholding and employer usage of the Child Support Division's website for reporting new hires and remitting funds. While a part of this increase can be attributed to the state's strong economy, we can also see the impact of 1) expanded employer outreach in the biennium and 2) the January 1, 2012, effective date of legislation requiring larger employers to submit payments and new hire reports electronically. The number of employers who have asked to be exempt from the new law is minimal. The new on-line lien registry, which went live in March 2012, has also resulted in large payments and cases being paid in full.

Collections

For calendar year 2012, total collections reached a new record of $140.96 million. The collections in IV-D cases increased 4.4 percent to $98.34 million, and the collections in nonIV-D cases increased 3.9 percent to $42.6 million. Of the estimated $285 million we expect to collect in the

next biennium, we expect roughly 86 percent will be sent to families, with the remaining 14 percent either sent to other jurisdictions for disbursement or retained to reimburse taxpayers for expenditures by the Foster Care and Temporary Assistance for Needy Families programs.

Nearly two-thirds of child support collections are the result of employers withholding from employee wages under an income withholding order.



Performance.

The Child Support Division, with the help of strategic partners such as employers and the clerks of court, continues to rank as one of the best programs nationally, even though there is more work yet to do. Using the five federal fiscal year (FFY) measurements:

- Percent of children in IV-D cases born out of wedlock with paternity established or acknowledged: 108.84 percent (this formula

compares the children born out of wedlock with paternity established in IV-D cases that were open during FFY 2012 with the number of children born out of wedlock in IV-D cases that were open at the end of FFY 2011), down slightly from 109.5 percent in FFY 2011 and up from 108.14 percent in FFY 2010.

- Percent of cases with court orders for child support: 89.15 percent, down slightly from 89.84 percent in FFY 2011 and 89.78 percent in FFY 2010.
- Percent of current support owed in IV-D cases that is collected: 75.09 percent, up from 74.57 percent in FFY 2011 and 74.21 percent in FFY 2010.
- Percent of IV-D cases with arrears in which there was a collection on the arrears: 68.68 percent, down slightly from 69 percent in FFY 2011 and 68.7 percent in FFY 2010.
- Amount collected for each dollar spent: $6.63, up measurably from $6.32 in FFY 2011 and $5.61 in FFY 2010. This is the highest ratio achieved by the child support program since the data started being collected in 2002.

In addition to the five federal performance measurements above, the number of IV-D cases that cannot proceed for lack of jurisdiction has reached a historic low of 1,986 based on our increased efforts to partner with Tribes, Tribal IV-D programs, and Tribal courts.

Receivables

As mentioned in the performance section of this testimony, North Dakota parents on average are very diligent in providing current support for their children. Although over 75 percent of the current support that accrued during the course of FFY 2012 was collected on time and in full, over $24 million in current support went uncollected. Over the course of FFY 2012,

the Child Support Division collected $21.23 million in past-due child support. Factoring in the judgment interest that accrues monthly on unpaid child support arrears, the total arrears owed in IV-D cases in North Dakota at the end of calendar year 2012 rose slightly to $233.2 million, with another $69.8 million owed in nonIV-D cases.

Medical Support

Establishment and enforcement of medical support have long been core services of the child support program. To date, our program focus has been on identifying any coverage that is available at no cost or nominal cost to the parent with primary residential responsibility, or else any coverage that is available at reasonable cost to the parent who does not have primary residential responsibility. Just before the enactment of the Affordable Care Act, new federal program requirements were adopted that would have significantly increased the duties of the child support program regarding medical support. After the Affordable Care Act was enacted, these new requirements were placed on hold. Currently, we await federal guidance on the expectations of the child support program. It remains to be seen whether the child support program will continue to have a limited role in identifying available coverage, or will have increased responsibilities to enforce the mandates of the Affordable Care Act. In preparation for potential program changes to implement new medical support requirements, and the priority that will need to be given to any of those changes, the Child Support Division has been committing extra time to standardize the program's legal documents and update existing policies.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	20,858,040	730,357	21,588,397	0	21,588,397
Operating	4,182,317	243,863	4,426,180	0	4,426,180
Total	25,040,357	974,220	26,014,577	0	26,014,577
General Funds	6,834,904	402,902	7,237,806	0	7,237,806
Federal Funds	15,168,700	523,411	15,692,111	0	15,692,111
Other Funds	3,036,753	47,907	3,084,660	0	3,084,660
Total	25,040,357	974,220	26,014,577	0	26,014,577
FTE	165.2	0	165.2	0	165.2

Budget Changes from Current Budget to the Executive Budget

The Salary and Wages line item increased by $730,357 and can be attributed to the following:

- $532,579 in total funds of which $223,073 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $436,063 in total funds of which $233,103 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining $238,285 decrease is a combination of increases and decreases needed to sustain the salary of the 165.20 FTEs in this area of the budget.

The Operating line item increased by $243,863 and is a combination of the increases and decreases expected in the next biennium. Some of the significant changes are:

- $110,903 increase in operating fees and services for costs related to serving parents with legal notice of court actions (service of process).
- $34,173 increase in in-state travel for assistant directors and specialized staff, and the projected volume of travel for court hearings.
- $58,688 increase to cover rent increases at five of nine current office locations.

The general fund request increased by a net amount of $402,902, consisting of an increase of $456,176 related to the Governor's salary package for state employees and an offsetting decrease in salary and operating changes as noted above.

Eligible IV-D expenditures are matched with 66 percent federal funds and 34 percent state funds. The other funds contained in the budget include the state's share of fee revenue and federal incentive funds that must be reinvested in the program.

House Changes:

There were no House changes to the Child Support area of the budget.

This concludes my testimony on the 2013–2015 budget request for the Child Support Division of the Department. I would be happy to answer any questions.

6

3.11-13
2:00pm.

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Cheryl Hess, Executive Director of the North Dakota State Council on Developmental Disabilities. I am here today to provide you an overview of the Council's budget request.

Programs

The Council administers the federal Developmental Disabilities Act Basic State Grant allocated to North Dakota. The Council advocates for policy changes that promote choice, independence, productivity, and inclusion for all North Dakotans with intellectual and developmental disabilities. The Council provides funding for and supports projects and activities that maximize opportunities in these areas for consumers and their families.

Program Trends/Major Program Changes

Under its federally approved five-year plan for 2012-2016, the Council is responsible for tracking and annually reporting performance data on 13 performance outcome measures to the federal Administration on Intellectual and Developmental Disabilities. Among other performance outcome data, some of the Council's accomplishments for 2012 include:

- 26 people were trained in employment
- 728 people were trained in community inclusion and inclusive education

- 37 people received training and supports to utilize mainstream technology to increase their access to the community, resources, social interactions, education, and employment opportunities
- 635 people became active in systems advocacy about community supports
- Six buildings/public accommodations became accessible
- Seven people joined boards, committees or advisory groups as a result of Council initiatives
- 673 people received training in quality assurance
- 652 people were trained in leadership, self-advocacy, and self-determination
- 116 entities participated in partnerships or coalitions created/sustained as a result of Council efforts
- 1,239 public policy makers and the general public were educated about issues related to Council initiatives

For the 2013-2015 biennium, the Council intends to continue to award grants to state and local private, non-profit agencies and organizations. Activities under these grants will need to address at least one of the six goals identified as priorities in the Council's federally approved five-year plan. These priority areas include: Community Living and Supports, Employment, Transition, Health Care, Self-Advocacy, and Leadership. More specifically, grant-funded activities under these priority areas are intended to assist persons with intellectual or developmental disabilities to:

- Have access to services available in the community that enhance their quality of life.
- Obtain and maintain employment consistent with their interests, abilities, and needs.

- Reach their educational and developmental potential.
- Have the information, skills, opportunities, and supports needed to live free of abuse, neglect, exploitation, and violation of their human and legal rights.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase / Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	162,095	5,349	167,444	0	167,444
Operating	132,652	(89,589)	43,063	0	43,063
Grants	621,142	78,858	700,000	0	700,000
Total	915,889	(5,382)	910,507	0	910,507
Federal Funds	915,889	(5,382)	910,507	0	910,507
FTE	1	0	1	0	0

Budget Changes from Current Budget to the Executive Budget:

The Council's budget request is 100 percent federal funding.

The Salary and Wages line item increased by $5,349, which can be mainly attributed to:

- $3,457 in federal funds to support the Governor's salary package for state employees.
- $2,103 in federal funds needed to fund the employee increases for 24 months versus the 12 months that are contained in the current budget.

The Operating line item decreased by $89,589, which can be primarily attributed to:

- Previous budget included contracted personnel to monitor grants. This will now be done internally.

The greatest share of the Council's proposed budget continues to be the Grants line item. The Grants line item increased by $78,858, which can be attributed to:

- The reduction in the operating line has moved to Grants to increase grant dollars for state, local, private, non-profit organizations and agencies to assist the Council to reach the goals outlined in North Dakota's 2012-2016, five-year State plan.

House Changes:

There were no House changes to the DD Council area of the budget.

This concludes my testimony on the 2013-2015 budget request for the Council. I would be happy to answer any questions.

HB 1012 - 3-11-13 2:00pm #7

Testimony
Engrossed House Bill 1012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
March 11, 2013

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jan Engan, Director of the Aging Services Division for the Department of Human Services. I am here today to provide an overview of the Aging Services Division for the Department of Human Services.

Programs

The Aging Services Division (Division) provides home and community-based services to assist individuals to remain in their homes and communities and to protect the health, safety, welfare, and rights of residents of long-term care settings and vulnerable adults in the community. The Division administers programs and services authorized and funded, in part, by the Older Americans Act that include:

- Elderly Nutrition Programs
- Supportive services such as Legal Assistance, Health Maintenance, Assistive Safety Devices Distribution Services, Senior Companion, and the Aging and Disability Resource-LINK initiative (Information and Referral and Options Counseling)
- Family Caregiver Support Program
- Long-Term Care Ombudsman Program
- Vulnerable Adult Protective Services Program

The Division also administers the U. S. Department of Labor's award to the state for the Senior Community Service Employment Program,

and administers programs and services funded with state funds to include: Guardianship Program for Vulnerable Adults, State funds to Providers, Dementia Care Services, support for the Governor's Committee on Aging, and the Telecommunications Equipment Distribution Program.

The Division is a federally designated single planning and service area which requires the Division to carry out 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 reauthorization 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."

Caseload/Customer Base

In Federal Fiscal Year (FFY) 2011, the total estimated unduplicated count of persons served through services supported by OAA Title III was 27,997. Services provided under the OAA are generally for individuals 60 years of age and older with an emphasis on services to those with greatest economic need and greatest social need, with particular attention to low-income minority individuals and older individuals residing in rural areas. Also included in the target groups are older individuals at risk for institutional placement, with severe disabilities, with limited English proficiency, and with Alzheimer's disease and related disorders, and their caregivers. Attachment 1 depicts the programs and services provided by the Division.

OAA Federal Fiscal Year 2011 Program Utilization

Older Americans Act – Title III Programs		
SERVICE	UNITS OF SERVICE	
Congregate Meals (meals served at meal sites)	686,631 meals	1 unit = 1 meal
Home Delivered Meals	480,547 meals	1 unit = 1 meal
Health Maintenance	129,442 units	Set unit/procedure
Information and Assistance	1,856 units	1 unit = 1 contact
Legal Assistance	6,007 units	1 unit = 1 hour
Assistive Safety Devices	1,431 units	1 unit = 1 device
Outreach	75,647 units	Set unit/procedure
Options Counseling	3,188 units	Set unit/procedure
Senior Companion	3,625 units	1 unit = 1 contact

Family Caregiver Support Program	
Unduplicated Caregivers Served	386
Unduplicated Grandparents Raising Grandchildren Served	6
Respite Care Provided	29,150 hours

Long-Term Care Ombudsman Program	
Number of Complaints	858
Number of Cases Opened	687

Vulnerable Adult Protective Services	
New Cases	458
Closed Cases	434
Information/Referral	687
Brief Services (2 hours or less)	411
Hours	5,324

Engrossed Senate Bill 2323 requires mandatory reporting by various professionals having reasonable cause to believe a vulnerable adult has been subject to abuse or neglect. This change in mandatory reporting will increase the number of referrals received by Department staff. Similar legislation passed in South Dakota increased their referrals by 70 percent. The Department used the experience in South Dakota to prepare the estimated cost for Engrossed Senate Bill 2323. The Department's estimate is for eight additional staff persons located in the various regions across the state. Amendments were adopted on the floor of the Senate which will reduce the number of professionals that will be required to report; however, the amendments are not expected to reduce the number suspected neglect or abuse cases reported. Therefore, the Department does not expect the estimated cost to implement Engrossed Senate Bill 2323 to decrease.

- The **Senior Community Service Employment Program** (SCSEP), provides part-time employment and training opportunities for eligible persons 55 years of age and older with incomes up to 125 percent of poverty with the goal to transition into permanent employment. The Division contracts with Experience Works to provide direct services to participants. On-the-job training was provided to 74 individuals, with a program year-end open caseload of 57. From July 1, 2011, to September 30, 2012, there were 22 placements to unsubsidized employment settings. Testimony provided in 2010 reported that SCSEP programs nationwide experienced a 25 percent reduction in federal funding reducing North Dakota's planned participants from 71 to 56 positions. Experience Works serves an additional 216 participants in North Dakota through a national contract with the Department of Labor, which was reduced from 276 positions. The

Division recently was notified of an award to the National Indian Council on Aging, effective October 1, 2012, adding 25 positions in designated locations throughout North Dakota.

- The **Guardianship Enhancement Program** provides funds for the purpose of guardianships program enhancements. From July 2011 to December 2012, guardianship funds were approved for 24 low-income individuals who were not eligible for guardianship services through the Developmental Disabilities system. In addition to being low-income, a proposed ward must have a current diagnosis of a serious mental illness, or a documented traumatic brain injury (TBI), or be age 60 or older and be receiving case management services from a human service center, county social services, vulnerable adult protective services, independent provider, medical facility or similar agency. In this same time period, there were 41 intakes, 24 approved, 12 denials, three waiting further information, and two requests withdrawn. Referrals are received from a variety of sources with 41 percent being initiated by Vulnerable Adult Program staff. The current diagnosis or category for **approved requests** are:

TBI	2
60 years of age and older	5
Mental Health	5
Mental Health/TBI	3
Mental Health/60+	9
Total	24

From July 1, 2011, to January 8, 2013, total expenditures for the petitioning of 20 guardianships was $32,805.41 with the average cost per person served at $1,640.27. From the funds appropriated, an

annual $500 payment is provided to guardians to assist in defraying associated costs for being a guardian. A combination of first and second year payments totaling $7,000 have been made to nine guardians.

- **Dementia Care Services Program** continues to be contracted to the Alzheimer's Association of MN/ND to provide resources, assistance, and support for citizens across North Dakota, in all geographic areas.

DEMENTIA CARE SERVICES PROGRAM		
	18 months January 2010 - June 2011	**12 months July 2011 – June 2012**
Contacts*	1,456	1,067
Caregivers	717	616
Persons with Dementia	454	345
Caregiver Training	320	168
Public Awareness/Training	867	694
Long-Term Care Costs Avoided (Median Range)	$3,007,147	$14,167,102
Health Care Cost Savings	$216,928	$85,944

*Contacts are a duplicate count of caregivers or persons with dementia.

- **The Aging and Disability Resource-LINK** initiative is in the final stages of implementation. The reauthorization of the OAA in 2000 and again in 2006 included language to create the Aging and Disability Resource Center Program (ADRC), known in North Dakota as the Aging and Disability Resource LINK (ADRL). The program is a collaborative effort of the Administration on Aging and the Centers for Medicare and Medicaid Services designed to streamline access to long-term care services and supports. Essentially this initiative is a nationwide effort to restructure services and support for older adults, all persons with disabilities, family members, and care providers. The Administration

on Aging issued grants to states, and North Dakota received a three-year grant in 2009 for a pilot program to operationalize the ADRL concept and implement Options Counseling in Region VII. The implementation plan for the ADRL concept is to transition outreach services to options counseling. The ADRL is a new approach to serving people that is built on strengthening existing community partnerships and also developing new partnerships. The service is available to provide help to persons who do not qualify for publicly funded services as well as those who do qualify. ADRL services focus on information and awareness, options counseling, streamlined access, person-centered hospital discharge planning, and quality assurance and evaluation. Beginning in January 2012, options counseling was implemented in the western four regions of the state and in 2013 it will be available statewide. Options counseling benefits individuals with immediate long-term care needs, especially after a major life changing event, individuals planning for future needs, and individuals and caregivers transitioning from one setting to another, especially those who do not qualify or receive public assistance.

The Graying of North Dakota brochure (Attachment 2) outlines the aging demographic. More recent data taken from "Aging Is Everyone's Business," December 2010, shows:

- A population shift of persons 60 years of age and older from rural to urban North Dakota communities is expected from 2000 to 2030:
    - In 2000, persons 60 years and older living in rural areas was 74,706 (63 percent) as compared to persons 60 years and older living in urban areas at 44,279 (37 percent).

    - By 2030, there is a population shift in this age group where 45 percent will be living in rural communities and 55 percent will live in urban communities.
- Growth is expected in the older population through 2050:
    - In 2011, the first Baby Boomer reached age 65 (Baby Boomers include anyone born between 1946 and 1964).
    - In 2030, all Baby Boomers will be between ages 65 and 84 and the population 65 and older will comprise about 25 percent of North Dakota's total population.
    - In 2050, Baby Boomers will be age 85 and older.

Information from the 2012 Statewide Housing Needs Assessment Briefing Points indicates in 2025, residents ages 65 and older are projected to be 18 percent of the total population, up from 14 percent in 2010.

Program Trends/Major Program Changes

- Studies continue to support the belief consumers of long-term care services prefer to remain at home, to live with or near family, and to have the opportunity to maintain independence. As increased numbers of North Dakotans reach 80 years of age and older, and since the incidence and prevalence of Alzheimer's disease and other related dementias increase with age, it is expected the number of individuals with these conditions will also grow rapidly. Estimates from the Alzheimer's Association indicate about 18,000 North Dakotans with Alzheimer's disease are being cared for by some 27,000 caregivers. This number is projected to increase in coming years. Alzheimer's disease, other related dementias, and some chronic care diseases impact the health and well-being of the recipient and also impact

caregivers who report experiencing high levels of stress and negative effects on their health, employment, income, and financial security. Continued efforts to provide services, training, and community education will be needed to sustain the ability of caregivers in their efforts to provide the care needed in a home setting.

- With the projected increase in the aging population, the ability to access services to support a safe and healthy environment has the potential to increase demands in the area of Elder Rights. A 2010 study published in the American Journal of Public Health reports approximately 11 percent of elders experienced some type of abuse. This study did not include elders with dementia; however, it reported this population to be at an even greater risk of mistreatment. Nationally, research estimates indicate 1 in 14 cases of elder abuse is reported, and that elder abuse is under-identified and under-reported (1998 National Elder Abuse Incidence Study).

- Assisting individuals to live in a safe and healthy environment includes the work of the Long-Term Care Ombudsman Program. Staff and volunteers work to protect the health, safety, welfare, and rights of residents living in nursing facilities, assisted living, swing beds, transitional care units, and basic care facilities. This program has experienced a 40 percent increase in cases from FFY 2009 through FFY 2011.

- Living at home and in the community is also supported through elderly nutrition services that includes congregate meals, home delivered meals, nutrition education, and nutrition counseling. Older Americans Act Nutrition Programs have a three-fold purpose: to reduce hunger

and food insecurity, to promote socialization of older individuals, and to promote the health and well-being of older individuals. A study released December 4, 2012, completed by Brown University indicates the more states spend on home delivered meals the more likely they are to help people stay at home. Proper nutrition improves the health, self-sufficiency, and quality of life of older adults. With projected increases expected in the 60+ population, the nutrition providers will face new challenges in meeting the needs of a more diverse population group along with on-going challenges such as increasing costs of foods and supplies, compliance with federal requirements including dietary requirements for meals, transportation and fuel costs for meal delivery, population shifts from rural to urban, as well as service needs in sparsely populated rural communities. Additional challenges include fairly flat federal funding that continues to stretch the resources available to contract providers to meet expenses of providing these services.

Overview of Budget Changes

Description	2011 - 2013 Budget	Increase/ Decrease	2013 - 2015 Executive Budget	House Changes	To Senate
Salary and Wages	1,584,936	70,360	1,655,296		1,655,296
Operating	13,721,684	1,272,141	14,993,825	(1,000,000)	13,993,825
Grants	2,834,472	38,974	2,873,446		2,873,446
Total	18,141,092	1,381,475	19,522,567	(1,000,000)	18,522,567
General Funds	4,788,173	1,898,936	6,687,109	(1,000,000)	5,687,109
Federal Funds	13,073,669	(518,211)	12,555,458		12,555,458
Other Funds	279,250	750	280,000		280,000
Total	18,141,092	1,381,475	19,522,567	(1,000,000)	18,522,567
FTE	11.00	0.00	11.00	0.00	11.00

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item is increased by $70,360:

- $34,842 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- $37,980 in total funds of which $29,628 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The remaining net decrease of $2,462 is a combination of increases and decreases needed to sustain the salary of the 11 FTEs in this area of the budget.

The Operating line item increased by $1,272,141 and is mainly a combination of the following increases and decreases:

- Travel decrease of $20,180 of which $17,099 is general fund and is a combination of increase and decreases that reflect current utilization and the ending of the federal ADRL grant.
- Professional Development decrease of ($61,351), the majority of which is for the removal of a one-time increase to Guardianship, which is all general fund.
- Operating Fees and Services has a net increase of $1,366,849 mainly attributed to:
  - An increase of $800,000 for Elderly Nutrition Programs.
  - Increase of $1,000,000 for Guardianship services, which is all general fund.
  - Decrease of $175,690 for Title IIIB.
  - Decrease of $250,000 for Senior Employment.

The Grants line item increased by $38,974 and is mainly a combination of:

- Increase of $81,404 for Title IIIB Support.
- Decrease of $43,330 due to reduction in Senior Employment.
- Increase of $900 in other funds due to donations received for

conference speakers.

House Changes:

- Guardianship services were decreased by $1,000,000 of which all is general fund.

This concludes my testimony on the 2013-2015 budget request for Aging Services Division of the Department. I would be happy to answer any questions.

Older Americans Act Programs (OAA)/State-Funded Programs

North Dakota Department of Human Services – Aging Services Division

Attachment 1

Nutrition Services Program	Supportive Services Program	Family Caregiver Support Program	Long-Term Care Ombudsman Program	Vulnerable Adult Protective Services Program
Services ▪ Congregate Meals ▪ Home-Delivered Meals ▪ Nutrition Screening ▪ Nutrition Education ▪ Nutrition Counseling	**Services** ▪ ADRL Options Counseling ▪ Assistive Safety Devices ▪ Health Maintenance (foot care; home visits; medication set-up; blood pressure/pulse/rapid inspection) ▪ Legal Assistance ▪ Outreach (ending 12/31/12) ▪ Senior Companion*	**Services** ▪ Information ▪ Assistance ▪ Individual Counseling ▪ Support Groups ▪ Training ▪ Respite Care ▪ Supplemental Services	**Services** ▪ Receive, investigate, and resolve complaints made by or on behalf of residents of long-term care and assisted living facilities ▪ Community Volunteer Ombudsmen* assist regional ombudsmen and provide on-going presence in assigned facilities	**Services** ▪ Assessment & evaluation of alleged abuse, neglect, self-neglect, or exploitation ▪ Referral or arrangement for provisionof services if the vulnerable adult accepts/consents to services and follow-up ▪ Public education
Eligibility ▪ Individuals age 60 and older and spouse, regardless of age ▪ Volunteers under age 60 providing meal services during meal hours ▪ Individuals with a disability under age 60 in a housing facility primarily occupied by older individuals may receive a congregate meal if the facility has an OAA congregate meal site ▪ Individuals with a disability under age 60 who reside with an individual age 60 and older	**Eligibility** ▪ Individuals age 60 and older *Senior Companion ▪ Volunteers - Individuals age 60 and older meeting income requirements of up to 200 percent of poverty ▪ Recipients – Individuals age 60 and older who are homebound; not living in a long-term care facility	**Eligibility** ▪ Family caregivers of individuals age 60 and older ▪ Individuals caring for a person with Alzheimer's or related dementia, regardless of age of the person with dementia ▪ Grandparents or relative caregivers age 55 and older who care for children not more than 18 years of age ▪ Grandparents or relative caregivers age 55 and older providing care for adult children with a disability (age 19 and 59); caregiver cannot be the child's parent	**Eligibility** ▪ Residents of nursing facilities, basic care facilities, hospital swing beds, sub-acute and transitional settings, and assisted living facilities *Community Volunteer Ombudsmen must be 18 years of age or older and complete initial and on-going training	**Eligibility** ▪ Individuals age 18 and older or a minor emancipated by marriage who has a substantial mental or functional impairment that compromises health safety, or independent life style; does not include individuals residing in a long-term care facility or a group home for an identified population
Program Income ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients/recipients given the opportunity to contribute to the cost of the service ▪ No client/recipient is denied service due to inability or unwillingness to contribute ▪ Means test may not be used ▪ Suggested contribution schedule that considers income ranges may be developed	**Program Income** ▪ Clients given the opportunity to contribute to the cost of the service ▪ No client is denied service due to inability or unwillingness to contribute ▪ Means test may not be used	**Program Income** Not applicable	**Program Income** Not applicable
			Information & Assistance: North Dakota Aging & Disability Resource-LINK 1.800.GO2LINK (1.800.462.5465) www.carechoice.nd.gov carechoice@nd.gov	

Older Americans Act Programs (OAA)/State-Funded Programs
North Dakota Department of Human Services – Aging Services Division

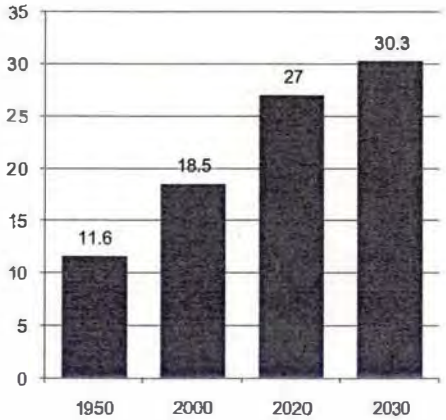
Senior Community Service Employment Program (SCSEP)	Dementia Care Services Program (State-funded)	Telecommunications Equipment Distribution Program (State-funded)	Guardianship Services for Vulnerable Adults (State-funded)
Services • Job training • Subsidized employment	**Services** • Assessment • Care Consultation • Referrals • Caregiver Training • Education on dementia to medical professionals, law enforcement, caregivers, and the general public	**Services** • Specialized telecommunications equipment	**Services** • Establishment of guardianships for specific populations • Set payment for court appointed guardian
Eligibility • Individuals age 55 and older with income not more than 125 percent of poverty	**Eligibility** • Individuals with dementia and their caregivers • Eligibility is not based on diagnosis, age, or income level	**Eligibility** • Have difficulty using the telephone because of a severe hearing loss, speech impairment or physical disability, and • Have applied for or have phone service in their home, and • North Dakota resident age five or over, and • Meet income limits (based on the estimated median income for North Dakota), and • Certified by a physician, audiologist, hearing instrument specialist, or speech language pathologist as unable to use a telephone readily purchased from a retail store	**Eligibility** • Individuals who have a diagnosed mental illness, traumatic brain injury, or are over age 60 and are ineligible for developmental disabilities case management • Guardian must be court-appointed
Program Income Not Applicable	**Program Income** Not applicable	**Program Income** Not applicable	**Program Income** Not Applicable

Percent of the North Dakota Population 60 Years of Age and Older and 85 Years of Age and Older

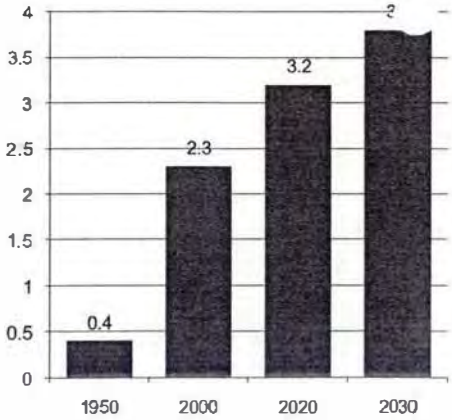
- In **1950**, 72,050 (11.6%) of North Dakota residents were age 60 and older.
- In **2000**, 118,985 (18.5%) of North Dakota residents were age 60 and older. The U.S. percent of residents age 60 and older was 16.3.
- In **2020**, it is projected that 170,117 (27%) of North Dakota residents will be age 60 and older.
- In **2030**, it is projected that 183,897 (30.3%) of North Dakota residents will be age 60 and older.

- In **1950**, 2,262 (0.4%) of North Dakota residents were age 85 and older.
- In **2000**, 14,726 (2.3%) of North Dakota residents were age 85 and older. The U.S. percent of residents age 85 and older was 1.5.
- In **2020**, it is projected that 20,106 (3.2%) of North Dakota residents will be age 85 and older. The U.S. percent of residents age 85 and older is projected to be 1.9.
- In **2030**, it is projected that 23,302 (3.8%) of North Dakota residents will be age 85 and older.

Percent ND Population Age 60 and Older



Percent ND Population Age 85 and Older



Challenges for the Future

- Addressing healthy aging through disease prevention and health promotion.
- Continuing to support the needs of family caregivers.
- Providing an array of quality long-term care options, especially home and community-based services which many people report they prefer.
- Addressing the mental health needs of older persons.
- Providing consumers and their families easier access to services through information and development of "one stop shop" programs.
- Addressing the issue of the direct care service workforce and the value of older workers.

For Additional Information Contact:
North Dakota Department of Human Services
Aging Services Division
1237 West Divide Avenue, Suite 6
Bismarck, ND 58501
www.nd.gov/dhs

To Locate Services:
ND Aging and Disability Resource-LINK:
1-800-451-8693
Searchable database:
www.carechoice.nd.gov
Email: carechoice@nd.gov

DN425

Attachment

The Graying of North Dakota

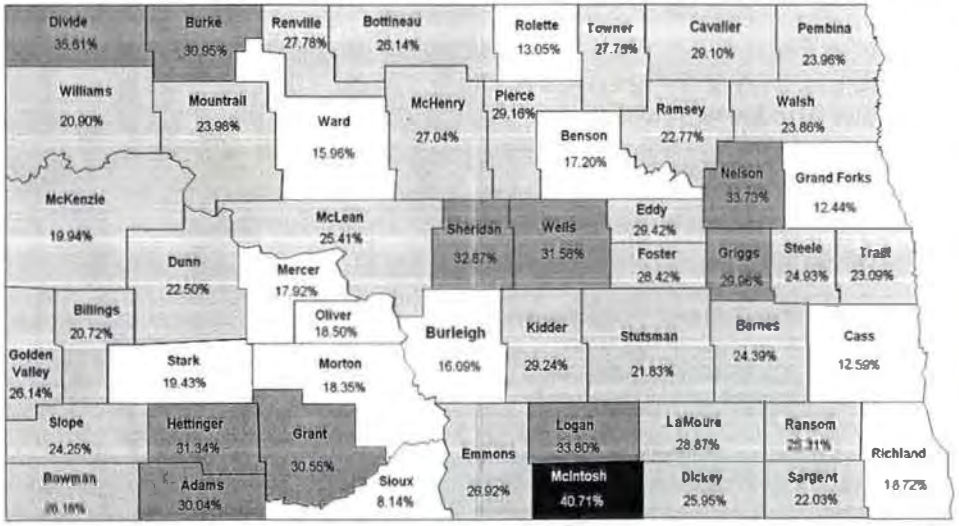
2000 - 2020

December 2008

Percent Population Age 60 and Older in North Dakota Counties

White: < 20% | Light Blue: 20 - 29% | Medium Blue: 30 - 39% | Dark Blue: 40 - 49% | Navy Blue: 50+ %

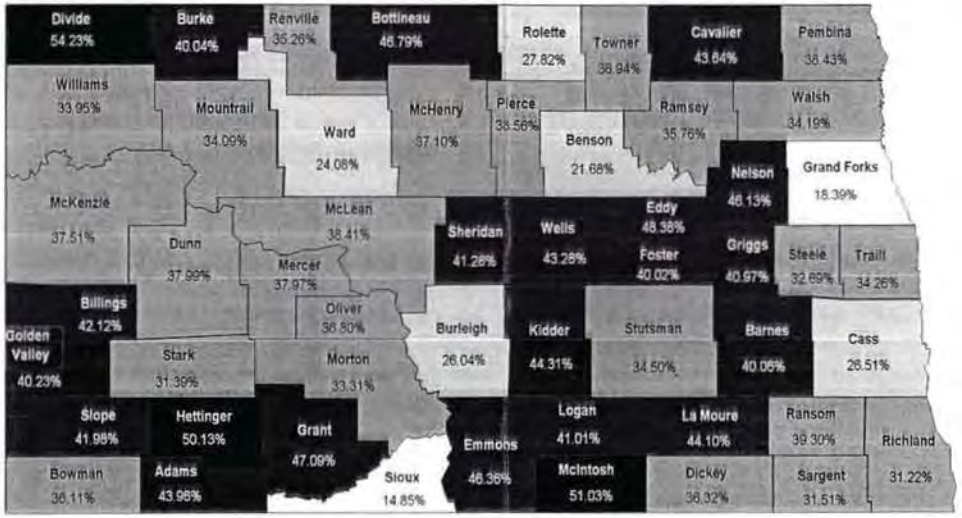
2000



- **NORTH DAKOTA's** total population in 2000 was 642,200.
- **In 2000,** 118,985 (18.5%) persons in North Dakota were 60 years of age or older.
- **In 2000,** 16.3% of the U.S. population was 60 years of age or older.
- **In 2000,** fewer than 30% of persons in each of 43 counties in North Dakota were age 60 or older.
- **In 2000,** fewer than 20% of persons in each of 12 counties in North Dakota were age 60 or older.
- **In 2000,** only one county had more than 40% of its population age 60 or older.

SOURCE: File 2. Interim State Projections of Population for Five-Year Age Groups and Selected Age Groups by Sex: July 1, 2004 to 2030. U.S. Census Bureau, Population Division, Interim State Population Projections, 2005.

2020 (projected)



- **NORTH DAKOTA's** total population in 2020 is projected to be 630,112.
- **In 2020,** it is projected that 170,117 (27%) persons in North Dakota will be 60 years of age or older.
- **In 2020,** it is projected that 22.5% of the U.S. population will be 60 years of age or older.
- **In 2020,** only seven counties will have fewer than 30% of their population aged 60 or older. In two of those counties the percent of persons age 60 and older will be under 20%.
- **In 2020,** 22 counties will have more than 40% of their population aged 60 or older.
- **In 2020,** three counties will have more than 50% of their population age 60 or older.

Department of Human Services
Comparison of Guardianship Bills

				Original Bills	
Bill	**HB 1040**	**ENGROSSED HB 1041**	**DHS Appropriation- ENGROSSED HB 1012**	**HB 1041**	**DHS Appropriation- HB 1012 Executive Budget**
APPROPRIATIONS	$0	Section 1: $361,200 Section 2: $70,000	$1,000,000 REMOVED FROM THE BILL	Section 1: $1,657,100 Section 2: $70,000	$1,000,000
RESPONSIBLE DEPARTMENT	Court System	OMB	DHS	OMB	DHS
SCOPE	Increases and strengthens processes tied to the rights of potential wards.	State funds grants to counties for guardianship and public administrator services.	$40,000 for establishment of guardianship remains in the DHS - Aging Services budget	State funds grants to counties for guardianship and public administrator services.	This funding would be added to the historical $40,000 for guardianship.
WHO IS ELIGIBLE	All proposed wards	Eligibility criteria for services is established by the Department of Human Services to include setting incomes criteria at 100% of the federal poverty level.	Persons with Traumatic Brain Injury, Mental Health or 60 years of age or older who are not DD eligible	SMI, TBI, Person 60+, but not DD eligible.	All incapacitated, but not DD eligible. (NDCC 30.1-26-01)
WHAT IT PURCH SES/BUYS		Appropriates a sum of $361,200 to provide grants to counties for public or private guardianship services for new wards.	Funding to establish petitioning costs for 16 wards. COST = $40,000 (no more than $2,500 each)	Pays guardianship and public administrators $11.00 per day for existing 164 guardianship cases and 25 new cases in Year 1 of biennium C ST = $758,835	Expands eligibility to match the incapacitated adult definition in NDCC 30.1-26-01.
				Pays $11.50 per day for the 189 cases paid in year 1 and adds 25 new cases in year 2. Total Cost in 2nd year for 214 cases. CO T = $898,265	Establishes income criteria at 100% FPL.
		Funding to Court to develop and deliver tutorial for new guardians. COST = **$70,000**	Requires ward to receive case management.	Funding to Court to develop and deliver tutorial for new guardians. COST = **$70,000**	Requires ward to receive case management.
DIFFERENCES/ISSUES		Does not contain funding for petitioning costs.		Does not contain funding for petitioning costs.	Funding to establish petitioning costs for 86 wards. COST = $215,000 (no more than $2,500 each)
					Funds both public or private guardianship services for new wards. The 1st year of the biennium would fund 43 new wards at $225/month = $116,100. The rate would increase to $250/month in year 2 of biennium, funding 43 existing wards at $250/month = $129,000, and adding 43 additional wards at $225/month = $116,100. Total Cost = $361,200. (Monthly rate is based on 2080 hours/annually)
					Contract with Court system to develop training and tutorial for new guardians. COST = **$75,000**
					Monitor newly established guardians of existing DHS staff. These operating costs include travel, per diem, etc. COST = **$5,800**
					Contract for three Vulnerable Adult Protective Services in 3 geographic areas @ $88,000/annually. The $383,000 general fund would be added to existing federal funds of $145,000 for a total of $528,000. COST in Bill = $383,000

#9A

Dedicated Human Service Levies - Levied (in 2011) for 2012 Budgets

A.

	Levy 1203 Human Service in Gen. Fund	Levy 1220 Human Services	Levy 1222 Emerg. Human Servcies	Total Dedicated HS Levies	Value of 1 Mill	Total Dedicated HS Levies in $	Amount Needed to Meet 50-02.1-03.2 Threshold
Adams		20.00		20.00	8,447	168,946	
Barnes		16.30		16.30	56,391	919,167	
Benson		13.98		13.98	18,698	261,401	
Billings		11.56		11.56	7,171	82,901	
Bottineau		12.39		12.39	38,712	479,637	
Bowman		7.96		7.96	19,912	158,500	
Burke		16.50		16.50	12,119	199,965	
Burleigh		15.76		15.76	279,895	4,411,139	
Cass		17.50		17.50	496,726	8,692,708	
Cavalier		20.00		20.00	30,066	601,326	
Dickey		17.35		17.35	23,650	410,323	
Divide		15.17		15.17	13,575	205,933	
Dunn	11.67			11.67	18,220	212,626	
Eddy		24.42		24.42	8,174	199,609	
Emmons		10.50		10.50	17,137	179,935	
Foster		20.00		20.00	15,542	310,845	
Golden Valley		16.04		16.04	7,168	114,977	
Grand Forks		20.93		20.93	200,357	4,193,476	
Grant		20.00	1.94	21.94	11,001	241,365	
Griggs		20.00		20.00	12,728	254,558	
Hettinger		18.09		18.09	14,533	262,897	
Kidder		17.00		17.00	12,699	215,876	
LaMoure		11.86		11.86	22,763	269,964	
Logan		16.50		16.50	9,181	151,484	
McHenry		13.38		13.38	27,012	361,417	
McIntosh		19.84		19.84	12,687	251,704	
McKenzie	11.08			11.08	26,905	298,113	
McLean		13.28		13.28	41,932	556,857	
Mercer		9.00		9.00	24,936	224,422	
Morton		16.46	1.96	18.42	84,378	1,554,250	
Mountrail		8.90		8.90	44,209	393,464	
Nelson		20.00		20.00	18,337	366,739	
Oliver		20.00		20.00	8,609	172,176	
Pembina		13.29		13.29	40,903	543,605	
Pierce		17.53		17.53	17,948	314,625	
Ramsey		20.00	17.55	37.55	33,599	1,261,643	356,796
Ransom		7.87		7.87	24,001	188,889	
Renville	9.71			9.71	14,418	140,003	
Richland		15.00		15.00	59,646	894,683	
Rolette		20.00	3.00	23.00	12,130	278,989	
Sargent		11.00		11.00	21,481	236,287	
Sheridan	10.12			10.12	8,062	81,585	
Sioux		17.51	17.51	35.02	2,563	89,758	
Slope		5.97		5.97	7,844	46,830	
Stark	23.01			23.01	75,596	1,739,474	
Steele		11.63		11.63	21,502	250,071	
Stutsman		20.00	4.64	24.64	66,743	1,644,548	
Towner		13.03		13.03	15,088	196,594	
Traill	1.35	20.00		21.35	32,441	692,620	
Walsh		20.00		20.00	40,094	801,871	
Ward	20.00			20.00	189,606	3,792,122	
Wells		20.00	0.87	20.87	22,872	477,333	
Williams		20.00	9.42	29.42	78,057	2,296,444	194,304
			Average/Total	16.93	2,428,463	43,346,672	551,100
			Average Plus 10 Mills	26.93			

Department of Human Services

Funding for Congregate and Home Delivered Meals, Nutririon Incentives, and State Funds to Providers for the Past Two Bienniums and the 2013-2015 Executive Budget

Yellow

2013-2015 Executive Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	1,400,000	600,000		1,264,562	3,264,562
Federal	3,780,012	1,559,352	1,612,864		6,952,228
Total	5,180,012	2,159,352	1,612,864	1,264,562	10,216,790

Blue

2011-2013 Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	600,000	600,000		1,174,668	2,374,668
Federal	3,773,510	1,554,992	1,612,266		6,940,768
Total	4,373,510	2,154,992	1,612,266	1,174,668	9,315,436

green

2009-2011 Budget	Congregate Meals	Home Delivered Meals	Nutrition Services Incentives	State Funds to Providers	Total Funding
General	900,000			1,091,200	1,991,200
Federal	3,272,008	2,079,196	1,657,650		7,008,854
Total	4,172,008	2,079,196	1,657,650	1,091,200	9,000,054

HB 1012
Subcomm
3-27-13 AM
from Lori Gates

#1

(HB 1012 Subcom 3-27-13-am) 2 from Jan Egan

Department of Human Services
Calculation of Funds Available per Meal
Calendar Year 2011

Funds Provided by Aging Services Division		
Federal Funds		
Congregate Meals	$ 1,655,332	
Home Delivered Meals	$ 969,743	
Nutrition Services Incentives	$ 776,768	
Total Federal Funds		$ 3,401,843
State Funds		
State Funds to Providers	$ 578,654	
General Funds	$ 600,000	
Total State Funds		$ 1,178,654
Total Funds Provided by Aging Services		**$ 4,580,497**
Funding Provided by Other Sources		
Required Provider Match	$ 558,115	
Program Income	$ 2,910,730	
Total Funds Provided by Other Sources		**$ 3,468,845**
Total Funds Available - CY 2011		**$ 8,049,342**
Number of Meals Provided		
Congregate Meals	667,964	
Home Delivered Meals	450,151	
Total Meals Provided		**1,118,115**
Average amount of funds available per meal: $8,049,342 divided by 1,118,115 meals		$ 7.20

(State funds provide $4.10 per meal and funding from other sources provide $3.10 per meal)

Elderly Nutrition Program Utilization by Calendar Year				
orange	Congregate Meals Blue		Home Delivered Meals	
Calendar Year	Participants	# of Meals	Participants	# of Meals
2011	13,669	667,964	4,796	450,151
2010	13,543	664,181	4,863	465,629
2009	13,490	662,985	5,038	460,754

Partic

Notes:

The State Treasurer's Office does not track how the senior mill levy match funds are used. See additional handout on senior mill levy distributions by county.

This cost per meal does not include $110,000 in funding for nutrition services to older individuals on the Turtle Mountain, Fort Berthold and Standing Rock reservations.

The addition of $800,000 of general fund for the biennium may increase the average reimbursement per meal to $7.56.

13.9597.01000

Prepared by the North Dakota Legislative Council
staff for Senator Mathern
March 2013

Subcom HB1012 3-27-13 A.M. #3

HOUSE CHANGES TO HOUSE BILL NO. 1012 AFFECTING MENTAL HEALTH SERVICES

The schedule below summarizes reductions made by the House to funding provided in the executive budget recommendation for the Department of Human Services in House Bill No. 1012, relating to mental health and substance abuse services.

House Change	Amount of Reduction		
	General Fund	Other Funds	Total Reduction
Mental Health and Substance Abuse Program			
Removed funding for grants to be provided by the Governor's Prevention Advisory Council on Drugs and Alcohol	($100,000)		($100,000)
Removed peer support funding from all regions	(300,000)		(300,000)
State Hospital			
Reduced funding for operating expenses	(350,000)		(350,000)
Human service centers			
Reduced operating for all human service centers	(600,000)	($400,000)	(1,000,000)
Removed funding for transition to independent living program at all human service centers	(320,000)		(320,000)
Removed funding for 16-unit transitional living facility at Southeast Human Service Center	(975,000)	(325,000)	(1,300,000)
Removed funding for additional four beds at mental illness/chemical dependency crisis facility at West Central Human Service Center	(324,156)		(324,156)
Total reductions	($2,969,156)	($725,000)	($3,694,156)

requested info

North Dakota nd.gov Official Portal for North Dakota State Government

#9B

Deb McDermott
3-27-13
HB 1012

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Tax Distribution Search Results

Payment Date: 01/02/2012 - 12/31/2012

Distribution Type: Senior Mill/Levy Match

Payment Date	County	City	Tax Type	Amount
02/14/2012	Adams County		Senior Mill/Levy Match	6,030.52
			Total:	**$6,030.52**
02/14/2012	Barnes County		Senior Mill/Levy Match	40,204.52
			Total:	**$40,204.52**
02/14/2012	Benson County		Senior Mill/Levy Match	12,890.75
			Total:	**$12,890.75**
02/14/2012	Bottineau County		Senior Mill/Levy Match	27,509.21
			Total:	**$27,509.21**
02/14/2012	Bowman County		Senior Mill/Levy Match	11,979.08
			Total:	**$11,979.08**
02/14/2012	Burke County		Senior Mill/Levy Match	8,101.66
			Total:	**$8,101.66**
02/14/2012	Burleigh County		Senior Mill/Levy Match	200,929.83
			Total:	**$200,929.83**
02/14/2012	Cass County			360,774.35

			Senior Mill/Levy Match	
			Total:	**$360,774.35**
02/14/2012	Cavalier County		Senior Mill/Levy Match	22,500.57
			Total:	**$22,500.57**
02/14/2012	Dickey County		Senior Mill/Levy Match	17,257.52
			Total:	**$17,257.52**
02/14/2012	Divide County		Senior Mill/Levy Match	9,135.20
			Total:	**$9,135.20**
02/14/2012	Dunn County		Senior Mill/Levy Match	11,159.22
			Total:	**$11,159.22**
02/14/2012	Eddy County		Senior Mill/Levy Match	5,607.97
			Total:	**$5,607.97**
02/14/2012	Emmons County		Senior Mill/Levy Match	5,974.46
			Total:	**$5,974.46**
02/14/2012	Foster County		Senior Mill/Levy Match	11,124.92
			Total:	**$11,124.92**
02/14/2012	Golden Valley County		Senior Mill/Levy Match	5,132.94
			Total:	**$5,132.94**
02/14/2012	Grand Forks County		Senior Mill/Levy Match	145,110.97
			Total:	**$145,110.97**
02/14/2012	Grant County		Senior Mill/Levy Match	7,487.78
			Total:	**$7,487.78**
02/14/2012	Griggs County		Senior Mill/Levy Match	8,959.59

			Total:	**$8,959.59**
02/14/2012	Hettinger County		Senior Mill/Levy Match	8,092.96
			Total:	**$8,092.96**
02/14/2012	Kidder County		Senior Mill/Levy Match	9,227.26
			Total:	**$9,227.26**
02/14/2012	Lamoure County		Senior Mill/Levy Match	16,333.09
			Total:	**$16,333.09**
02/14/2012	Logan County		Senior Mill/Levy Match	6,441.05
			Total:	**$6,441.05**
02/14/2012	McHenry County		Senior Mill/Levy Match	19,699.91
			Total:	**$19,699.91**
02/14/2012	McIntosh County		Senior Mill/Levy Match	8,684.02
			Total:	**$8,684.02**
02/14/2012	McLean County		Senior Mill/Levy Match	28,275.01
			Total:	**$28,275.01**
02/14/2012	Mercer County		Senior Mill/Levy Match	16,660.15
			Total:	**$16,660.15**
02/14/2012	Morton County		Senior Mill/Levy Match	59,658.39
			Total:	**$59,658.39**
02/14/2012	Mountrail County		Senior Mill/Levy Match	26,906.14
			Total:	**$26,906.14**
02/14/2012	Nelson County		Senior Mill/Levy Match	12,347.89
			Total:	**$12,347.89**
02/14/2012	Oliver County			6,363.02

			Senior Mill/Levy Match	
			Total:	**$6,363.02**
02/14/2012	Pembina County		Senior Mill/Levy Match	29,673.09
			Total:	**$29,673.09**
02/14/2012	Pierce County		Senior Mill/Levy Match	13,245.70
			Total:	**$13,245.70**
02/14/2012	Ramsey County		Senior Mill/Levy Match	24,214.68
			Total:	**$24,214.68**
02/14/2012	Ransom County		Senior Mill/Levy Match	16,541.96
			Total:	**$16,541.96**
02/14/2012	Renville County		Senior Mill/Levy Match	9,759.86
			Total:	**$9,759.86**
02/14/2012	Richland County		Senior Mill/Levy Match	42,906.93
			Total:	**$42,906.93**
02/14/2012	Rolette County		Senior Mill/Levy Match	8,557.50
			Total:	**$8,557.50**
02/14/2012	Sargent County		Senior Mill/Levy Match	15,111.21
			Total:	**$15,111.21**
02/14/2012	Sheridan County		Senior Mill/Levy Match	5,601.00
			Total:	**$5,601.00**
02/14/2012	Sioux County		Senior Mill/Levy Match	1,879.76
			Total:	**$1,879.76**
02/14/2012	Slope County		Senior Mill/Levy Match	4,414.20

			Total:	**$4,414.20**
02/14/2012	Stark County		Senior Mill/Levy Match	50,032.95
			Total:	**$50,032.95**
02/14/2012	Steele County		Senior Mill/Levy Match	14,496.39
			Total:	**$14,496.39**
02/14/2012	Stutsman County		Senior Mill/Levy Match	47,496.76
			Total:	**$47,496.76**
02/14/2012	Towner County		Senior Mill/Levy Match	10,691.17
			Total:	**$10,691.17**
02/14/2012	Traill County		Senior Mill/Levy Match	24,122.69
			Total:	**$24,122.69**
02/14/2012	Walsh County		Senior Mill/Levy Match	28,915.91
			Total:	**$28,915.91**
02/14/2012	Ward County		Senior Mill/Levy Match	135,205.85
			Total:	**$135,205.85**
02/14/2012	Wells County		Senior Mill/Levy Match	16,158.00
			Total:	**$16,158.00**
02/14/2012	Williams County		Senior Mill/Levy Match	51,512.29
			Total:	**$51,512.29**
			Grand Total:	**$1,687,097.85**

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13.8141.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Robinson
March 15, 2013

#1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,869,433	104,842,713
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,725,307	$2,345,754,038
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,778,243	$924,350,649"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,402,445	$1,145,631,659
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,572,980	$2,745,771,720
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$0	$101,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$0	$44,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$296,684	$2,345,754,038
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389
General fund	$934,635,685	$924,053,965	$296,684	$924,350,649
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$0	$73,064,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$0	$53,810,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$0	$52,760,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$0	$24,696,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$0	$5,069,755
Less estimated income	1,075,139	675,139	0	675,139
General fund	$4,994,616	$4,394,616	$0	$4,394,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$0	$8,918,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$0	$5,353,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$0	$21,949,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$0	$12,763,866

DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$0	$12,696,133
Less estimated income	5,162,347	5,162,347	0	5,162,347
General fund	$7,573,786	$7,533,786	$0	$7,533,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$0	$27,842,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$0	$13,704,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$0	$37,690,472
Less estimated income	15,682,226	15,357,226	0	15,357,226
General fund	$23,348,246	$22,333,246	$0	$22,333,246
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	$0	$16,753,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$0	$8,940,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$0	$29,462,590
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$0	$16,193,608
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$0	$12,305,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$0	$6,986,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$296,684	$2,745,771,720
Less estimated income	1,613,649,730	1,600,140,061	0	1,600,140,061
General fund	$1,176,869,527	$1,145,334,975	$296,684	$1,145,631,659

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	296,684	104,842,713
Grants	453,774,130	453,874,130		453,874,130
Grants - Medical assistance	1,755,124,680	1,738,195,077		1,738,195,077
Total all funds	$2,364,284,108	$2,345,457,354	$296,684	$2,345,754,038
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389
General fund	$934,635,685	$924,053,965	$296,684	$924,350,649
FTE	342.50	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of Senate Changes

	Adds Funding for Robinson Recovery Center[1]	Total Senate Changes
Salaries and wages		
Operating expenses	296,684	296,684
Grants		
Grants - Medical assistance		
Total all funds	$296,684	$296,684
Less estimated income	0	0
General fund	$296,684	$296,684
FTE	0.00	0.00

[1]Funding is added for additional services provided by the Robinson Recovery Center.

13.8141.02003
Title.

Prepared by the Legislative Council staff for
Senator Wanzek
March 15, 2013

#2

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,345,761	$1,145,574,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,516,296	$2,745,715,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 5, after line 29, insert:

"**SECTION 10. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $240,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing funding to the south central human service center to contract for transitional employment services for individuals with mental illness or chemical dependency, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

13.8141.02004
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
Senator G. Lee
March 19, 2013

#3

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, replace lines 6 through 9 with:

"Grants - medical assistance	1,601,650,984	164,130,921	1,765,781,905
Total all funds	$2,234,028,731	$139,015,451	$2,373,044,182
Less estimated income	1,497,456,325	(63,324,886)	1,434,131,439
Total general fund	$736,572,406	$202,340,337	$938,912,743"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$232,964,539	$1,160,193,753
Grand total special funds	1,670,969,526	(58,101,415)	1,612,868,111
Grand total all funds	$2,598,198,740	$174,863,124	$2,773,061,864
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$0	$101,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$0	$44,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$27,586,828	$2,373,044,182
Less estimated income	1,429,648,423	1,421,403,389	12,728,050	1,434,131,439
General fund	$934,635,685	$924,053,965	$14,858,778	$938,912,743
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$0	$73,064,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$0	$53,810,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$0	$52,760,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$0	$24,696,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$0	$5,069,755
Less estimated income	1,075,139	675,139	0	675,139
General fund	$4,994,616	$4,394,616	$0	$4,394,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$0	$8,918,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$0	$5,353,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$0	$21,949,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$0	$12,763,866
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$0	$12,696,133
Less estimated income	5,162,347	5,162,347	0	5,162,347

General fund	$7,573,786	$7,533,786	$0	$7,533,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$0	$27,842,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$0	$13,704,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$0	$37,690,472
Less estimated income	15,682,226	15,357,226	0	15,357,226
General fund	$23,348,246	$22,333,246	$0	$22,333,246
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	$0	$16,753,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$0	$8,940,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$0	$29,462,590
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$0	$16,193,608
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$0	$12,305,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$0	$6,986,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$27,586,828	$2,773,061,864
Less estimated income	1,613,649,730	1,600,140,061	12,728,050	1,612,868,111
General fund	$1,176,869,527	$1,145,334,975	$14,858,778	$1,160,193,753

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029		104,546,029
Grants	453,774,130	453,874,130		453,874,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	27,586,828	1,765,781,905
Total all funds	$2,364,284,108	$2,345,457,354	$27,586,828	$2,373,044,182
Less estimated income	1,429,648,423	1,421,403,389	12,728,050	1,434,131,439
General fund	$934,635,685	$924,053,965	$14,858,778	$938,912,743
FTE	342.50	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of Senate Changes

	Senate Changes[1]	Total Senate Changes
Salaries and wages		
Operating expenses		
Grants		
Grants - Medical assistance	27,586,828	27,586,828
Total all funds	$27,586,828	$27,586,828
Less estimated income	12,728,050	12,728,050
General fund	$14,858,778	$14,858,778
FTE	0.00	0.00

[1]Funding is added to increase nursing facility, basic care, DD, and QSP provider wage passthrough increase from 50 cents to $1.

13.8141.02007
Title.

Prepared by the Legislative Council staff for
Senator O'Connell
March 25, 2013

#4

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 6, line 13, replace "grants" with "a grant"

Page 6, line 13, after "program" insert "affiliated with a winter park that is located in a county with fewer than 10,000 individuals"

Page 6, line 16, after the period insert "The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section."

Renumber accordingly

Attachment G

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To Senate

Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital-Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	2013-2015 Budget To House	Reduce ACA Woodwork by 50%	Reduce Premiums, DME, Private Nursing & Transportation	Reduce Healthy Steps Caseload	Total House Changes	2013-2015 Budget To Senate
17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186.00	(1,793,304)			(1,793,304)	182,241,882
8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840.00	(755,828)			(755,828)	72,510,012
(3,454,061)	0						1,261,094		(2,192,967)	1,261,094.00				0	1,261,094
(200,000)	0								(200,000)	0.00				0	0
7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536.00	(1,181,988)			(1,181,988)	120,409,548
(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905.00	(506,150)			(506,150)	44,360,755
286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103.00	(299,328)			(299,328)	28,711,775
(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120.00		(315,000)		(315,000)	25,821,120
1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748.00				0	20,035,748
(841,440)	709,224		481,968						349,752	8,497,208.00		(30,000)		(30,000)	8,467,208
218,040	1,784,536		453,600						2,456,176	7,943,992.00				0	7,943,992
1,968,794	783,395		0						2,752,189	7,921,657.00				0	7,921,657
(10,883,860)	11,733,168								849,308	30,329,520.00				0	30,329,520
(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043.00	0	(564,000)	0	(564,000)	53,597,043
148,380	62,920		90,712						302,012	1,580,512.00				0	1,580,512
8,103,257	(8,880,672)		0						(777,415)	1,890,461.00				0	1,890,461
(59,111,300)	0								(59,111,300)	5,784,012.00				0	5,784,012
198,076	363,968		100,652						662,696	1,758,068.00				0	1,758,068
742,682	149,304		164,001						1,055,987	4,256,401.00				0	4,256,401
(65,491)	81,651								16,160	734,930.00				0	734,930
(455,660)	64,112		102,880						(288,668)	1,796,256.00				0	1,796,256
(321,172)	83,736		317,244						79,808	5,528,668.00				0	5,528,668
(41,556)	(62,128)		68,756						(34,928)	1,201,620.00				0	1,201,620
61,360	(309,128)		191,264						(56,504)	4,956,980.00				0	4,956,980
	60,760		3,708						64,468	64,468.00		(64,000)		(64,000)	468
43,308	167,432		96,156						306,896	1,682,372.00				0	1,682,372
(560,280)	753,896		424,304						617,920	7,400,968.00				0	7,400,968
14,004	(1,188,821)		0					1,393,875	219,058	4,239,210.00				0	4,239,210
175,316	(1,063,736)		165,976						(722,444)	2,886,904.00				0	2,886,904
157,696	(210,264)		81,096						28,528	1,414,760.00				0	1,414,760
3,272	(91,776)		25,353						(63,151)	495,329.00				0	495,329
1,724	24,048		4,808						30,580	83,280.00				0	83,280
122,889	315,040		190,172						628,101	3,316,900.00				0	3,316,900
	23,816		1,432						25,248	25,248.00				0	25,248
1,311,164	46,312		174,272						1,531,748	3,063,696.00		(500,000)		(500,000)	2,563,696
(30,446,875)	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952.00**	**(4,536,598)**	**(909,000)**	**0**	**(5,445,598)**	**603,611,354**
3,948,927	1,870,741								5,819,668	33,344,070.00			(1,300,000)	(1,300,000)	32,044,070
(26,497,948)	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022.00**	**(4,536,598)**	**(909,000)**	**(1,300,000)**	**(6,745,598)**	**635,655,424**
14,709,574	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101.00**	**(2,268,289)**	**(454,500)**	**(455,000)**	**(3,177,789)**	**253,394,312**

centive Payments are 100% federally funded.
ning funds are in other state agency budgets.
no general funds associated with TCM-Wrap Around

North Dakota Department of Human Services
Changes in Medical Assistance Services from 2011-2013 Appropriation to 2013-2015 Budget To Senate

Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP Impact	4/4 Inflation	ACA Wood Work Effect	Personal Needs Allowance PRTF's $50 to $65	CMS Premium Adjustment	Critical Access Hospital-Supplemental payments	Rural Health Clinics - Rebasing to Medicare	Total Changes	2013-2015 Budget To House	Reduce ACA Woodwor by 50%
Inpatient Hospital	162,198,550	17,838,300	(8,633,766)		9,045,492	3,586,610					21,836,636	184,035,186.00	(1,793,30
Outpatient Hospital	74,249,400	8,328,392	(13,705,816)		2,882,208	1,511,656					(983,560)	73,265,840.00	(755,82
Critical Access Hospitals	3,454,061	(3,454,061)	0						1,261,094		(2,192,967)	1,261,094.00	
One-Time Hospital Grant	200,000	(200,000)	0								(200,000)	0.00	
Physician Services	104,734,864	7,832,880	81,744		6,578,072	2,363,976					16,856,672	121,591,536.00	(1,181,98
Drugs - NET (Includes Rebates)	50,513,555	(1,857,551)	(4,801,398)			1,012,299					(5,646,650)	44,866,905.00	(506,15
Dental Services	24,029,520	286,520	2,467,760		1,628,648	598,655					4,981,583	29,011,103.00	(299,32
Premiums	29,183,783	(1,850,268)	20,316					(1,217,711)			(3,047,663)	26,136,120.00	
Psychiatric Residential Treatment Facilities	21,987,286	1,639,710	(3,612,983)				21,735				(1,951,538)	20,035,748.00	
Durable Medical Equipment (DME)	8,147,456	(841,440)	709,224		481,968						349,752	8,497,208.00	
Ambulance Services	5,487,816	218,040	1,784,536		453,600						2,456,176	7,943,992.00	
Federally Qualified Health Centers	5,169,468	1,968,794	783,395		0						2,752,189	7,921,657.00	
Indian Health Services ^	29,480,212	(10,883,860)	11,733,168								849,308	30,329,520.00	
Other Services	109,646,243	(49,472,331)	(9,609,530)	0	2,202,786	0	0	0	0	1,393,875	(55,485,200)	54,161,043.00	
Chiropractic Services	1,278,500	148,380	62,920		90,712						302,012	1,580,512.00	
Disease Management	2,667,876	8,103,257	(8,880,672)		0						(777,415)	1,890,461.00	
Electronic Health Records Incentive Payment ^	64,895,312	(59,111,300)	0								(59,111,300)	5,784,012.00	
Foster Care Family Support	1,095,372	198,076	363,968		100,652						662,696	1,758,068.00	
Home Health Services	3,200,414	742,682	149,304		164,001						1,055,987	4,256,401.00	
Hospice Services	718,770	(65,491)	81,651								16,160	734,930.00	
Laboratory & Radiology	2,084,924	(455,660)	64,112		102,880						(288,668)	1,796,256.00	
ND Health Tracks - EPSDT Screenings	5,448,860	(321,172)	83,736		317,244						79,808	5,528,668.00	
Occupational Therapy	1,236,548	(41,556)	(62,128)		68,758						(34,928)	1,201,620.00	
Optometry Services	5,013,484	61,360	(309,128)		191,264						(56,504)	4,956,980.00	
Private Duty Nursing			60,760		3,708						64,468	64,468.00	
Physical Therapy	1,375,476	43,308	167,432		96,156						306,896	1,682,372.00	
Psychological Services	6,783,048	(560,280)	753,896		424,304						617,920	7,400,968.00	
Rural Health Clinics	4,020,152	14,004	(1,188,821)		0					1,393,875	219,058	4,239,210.00	
Special Education ^^	3,609,348	175,316	(1,063,736)		165,976						(722,444)	2,886,904.00	
Speech & Hearing Services	1,386,232	157,696	(210,264)		81,096						28,528	1,414,760.00	
Targeted Case Mgt - DJS Alt Care ^^	558,480	3,272	(91,776)		25,353						(63,151)	495,329.00	
Targeted Case Mgt - Pregnant Women	52,700	1,724	24,048		4,808						30,580	83,280.00	
Targeted Case Mgt - Wrap Around^^^	2,688,799	122,889	315,040		190,172						628,101	3,316,900.00	
Targeted Case Mgt - Tribal			23,816		1,432						25,248	25,248.00	
Transportation Services	1,531,948	1,311,164	46,312		174,272						1,531,748	3,063,696.00	
Total (Excluding Healthy Steps)	**628,482,214**	**(30,446,875)**	**(22,783,350)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(19,425,262)**	**609,056,952.00**	**(4,536,59**
Healthy Steps	27,524,402	3,948,927	1,870,741								5,819,668	33,344,070.00	
Total Medical Assistance	**656,006,616**	**(26,497,948)**	**(20,912,609)**	**0**	**23,272,774**	**9,073,196**	**21,735**	**(1,217,711)**	**1,261,094**	**1,393,875**	**(13,605,594)**	**642,401,022.00**	**(4,536,59**
General Funds	**205,544,821**	**14,709,574**	**(10,962,661)**	**30,691,565**	**11,290,119**	**4,536,578**	**10,857**	**(573,588)**	**630,547**	**694,289**	**51,027,280**	**256,572,101.00**	**(2,268,28**

^ Indian Health Services & Electronic Health Records Incentive Payments are 100% federally funded.

^^ Only federal funds are in the DHS budget. The matching funds are in other state agency budgets.

^^^ The State share is paid with County funds there are no general funds associated with TCM-Wrap Around

Department of Human Services
Clawback Analysis

"Clawback" or the statutory term "phased-down State contribution", is the mechanism through which the states help finance the Medicare "Part D" drug benefit program. The clawback which began in January 2006, is a monthly payment made by each state to the federal Medicare program. The amount of each state's monthly payment is to reflect the expenditures the state would have incurred for outpatient prescription drugs through Medicaid on behalf of dual eligibles – i.e., low-income elderly or disabled individuals who are enrolled in both Medicare and Medicaid.

For analysis purposes Dual Eligibles were held constant at 10,700

At 2 % Inflation

			Biennial Total	Increase to be Requested each Biennium
2013	1,239,712	14,876,544		
2014	1,222,882	14,674,587		
2015	1,234,401	14,812,812	29,487,399	
2016	1,259,089	15,109,068		
2017	1,284,271	15,411,252	30,520,320	1,032,921
2018	1,309,956	15,719,472		
2019	1,336,155	16,033,860	31,753,332	1,233,012
2020	1,362,878	16,354,536		
2021	1,390,136	16,681,632	33,036,168	1,282,836
2022	1,417,939	17,015,268		
2023	1,446,298	17,355,576	34,370,844	1,334,676
2024	1,475,224	17,702,688		
2025	1,504,728	18,056,736	35,759,424	1,388,580
2026	1,534,823	18,417,876		
2027	1,565,519	18,786,228	37,204,104	1,444,680
2028	1,596,829	19,161,948		
2029	1,628,766	19,545,192	38,707,140	1,503,036
2030	1,661,341	19,936,092		
2031	1,694,568	20,334,816	40,270,908	1,563,768
2032	1,728,459	20,741,508		
2033	1,763,028	21,156,336	41,897,844	1,626,936
2034	1,798,289	21,579,468		
2035	1,834,255	22,011,060	43,590,528	1,692,684
2036	1,870,940	22,451,280		
2037	1,908,359	22,900,308	45,351,588	1,761,060
2038	1,946,526	23,358,312		
2039	1,985,457	23,825,484	47,183,796	1,832,208
2040	2,025,166	24,301,992		

Actual Increases Requested	
2009 - 2011	3.3 million
2011-2013	6.9 million
2013-2015	3.1 million

Actual Drug Inflation	
2007	6.86%
2008	1.69%
2009	9.26%
2010	4.77%
2011	0.28%
2012	4.10%

At 4 % Inflation

			Biennial Total	Increase to be Requested each Biennium
2013	1,239,712	14,876,544		
2014	1,289,300	15,471,600		
2015	1,340,872	16,090,464	31,562,064	
2016	1,394,507	16,734,084		
2017	1,450,287	17,403,444	34,137,528	2,575,464
2018	1,508,298	18,099,576		
2019	1,568,630	18,823,560	36,923,136	2,785,608
2020	1,631,375	19,576,500		
2021	1,696,630	20,359,560	39,936,060	3,012,924
2022	1,764,495	21,173,940		
2023	1,835,075	22,020,900	43,194,840	3,258,780
2024	1,908,478	22,901,736		
2025	1,984,817	23,817,804	46,719,540	3,524,700
2026	2,064,210	24,770,520		
2027	2,146,778	25,761,336	50,531,856	3,812,316
2028	2,232,649	26,791,788		
2029	2,321,955	27,863,460	54,655,248	4,123,392
2030	2,414,833	28,977,996		
2031	2,511,426	30,137,112	59,115,108	4,459,860
2032	2,611,883	31,342,596		
2033	2,716,358	32,596,296	63,938,892	4,823,784
2034	2,825,012	33,900,144		
2035	2,938,012	35,256,144	69,156,288	5,217,396
2036	3,055,532	36,666,384		
2037	3,177,753	38,133,036	74,799,420	5,643,132
2038	3,304,863	39,658,356		
2039	3,437,058	41,244,696	80,903,052	6,103,632
2040	3,574,540	42,894,480		

13.8141.02011
Title.

Prepared by the Legislative Council staff for
Senator Holmberg
March 19, 2013

#1
Strom
3-28-13

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,405,761	$1,145,634,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,576,296	$2,745,775,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 4, after line 14, insert:

"**SECTION 5. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $300,000, or so much of the sum as may be necessary, to the department of human services for the purpose of contracting with existing facilities for services to provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities, for the biennium beginning July 1, 2013, and ending June 30, 2015. From the funds appropriated in this section, the department of human services may pay $75,000 per year to organizations in the northeast and southeast human service regions of the state for providing the services identified in this section. The department of human services' oversight for these services is limited to receiving information only relating to annual attendance numbers and the expenditure of appropriated funds for these services."

Renumber accordingly

Charlie Bremseth
3-28-13
HB 1012

#2
Subcomm
3-28-13

Senate Appropriations Sub-Committee

FUNDING FOR INTELLECTUAL DISABILITIES
March 27, 2013

Chairman Kilzer and members of the Senate Appropriations Committee. My name is Charlie Bremseth and I am the Executive Director of LISTEN Inc. in Grand Forks, North Dakota. Thank you for the opportunity to appear before you and present what I think is an issue of importance and concern which affects citizens of North Dakota who have intellectual disabilities and who are some of the most vulnerable people in our State.

The concept of a LISTEN (Love Is Sharing The Exceptional Needs) Center began to take shape over 40 years ago in Grand Forks as a way of helping people with the transition to community life-for those already living in the community and for those 100 that were soon to come from Grafton State School. It was founded as a grass roots, not-for-profit organization. Today, LISTEN not only operates a locally funded recreation/leisure and educational Drop-In Center, it also provides a State funded, licensed, and fully accredited Adult Day Services program. It is the LISTEN Drop-In Center where I need to focus your attention.

Last year there was a very real possibility that the LISTEN Drop-In program and all that it offers would have been lost. A closing would have impacted **1297 people** - ***350 folks with intellectual disabilities,*** 200 people from the community without disabilities, 200 children under the age of 18, and 547 people served by an outreach grant. Funding was becoming unstable and sporadic. The red warning flags went up. There was news coverage on TV, radio, newspapers that Drop-In was in trouble. Board action reduced operations from 6 days a week to 3 days a week. Staff was reduced from 4.5 to 1.5 and the

budget was cut by 2/3. After a year, attendance levels persisted: 7,770- down from the pre reduction of 9,500 the drastic cuts left their mark that it is estimated will take nearly 3 years to rebuild. This now is our current situation.

What IS needed at this time is the support, assistance, and the program financial stability We all know, and understand that people with disabilities and those of low income and more often than not, are not able to fund programs, to personally pay for programs that they derive benefit from-at least not without assistance. We are asking for that assistance.

In conclusion you should know that it takes a lot of time and energy to create the dynamics of a community center especially for people with disabilities-and especially with the aim of transitioning them into the community. A major financial crisis can set that process back. If our aim is to ensure that those who have in the past been denied access to acceptance in our respective communities. You can help. Your decision to fund these Centers will affect the lives of the 1297 people the Grand Forks Center alone can help, with 350 of those folks who have a intellectual disability.

Thank you once again for giving me this opportunity. I will be happy to take questions.

Tom Newberger #3
3-28-13
HB 1012
Subcom

Intellectual Disabilities:

Leisure, Recreational and Educational Programs

March 27, 2013

Good afternoon Chairman Kilzer and members of the Senate Appropriations Subcommittee. My name is Tom Newberger and I am the Executive Director for Red River Human Services Foundation in Fargo, West Fargo and Wahpeton, North Dakota. I am here today to ask for your support of critical funding for programs that support people with intellectual disabilities outside their home.

Red River Human Services Foundation is a Not-For-Profit organization providing licensed residential and day programs to people with Intellectual Disabilities. The State funds these programs as they support the most vulnerable people in the State. I appreciate this funding and I am here today to ask for funding for the Activity Center which is a non-State program providing activities to over 400 people with Intellectual Disabilities in the evening and on week-ends.

Many of the services provided by the Activity Center focus on getting people out of the group home and into the community where social connections and friendships are made which improves their quality of life. For example, Red River Human Services Foundation operates many residential homes with 8 people living in them. In the evening, it is common to have one staff working. It is difficult for one staff to all take eight people plus themselves to a place they all agree upon. For example, one person living in an eight bed home may want to go out to eat while another wants to stay home and yet another person wants to go to a movie. One staff cannot fulfill their wishes at the same time due to staffing issues.

This is where the Activity Center plays a critical role. For example, we take people to movies, a ball game or camping. However, the Activity Center is much more the fun activities. The Activity Center is also a safety net for people with Intellectual Disabilities. Many members

of the Activity Center live alone in the community and have limited supports by providers. They come to or call the Activity Center when they are in need or crisis. For example, "Mable" is a member of the Activity Center and she lives alone in her apartment. One night she called and asked the Activity Center to come to her apartment because she had the flu and was out of her medication with no funds to purchase them. Staff from the Activity Center bought her medication and went to her apartment. When they arrived, they found that she was nearly out of food too so staff went and bought food for her. The Activity Center supplies food to others with Intellectual Disabilities too. This is an important safety net for many people.

There are many other stories to share such as providing hats, mittens and coats in the winter time for people in need and I have many other fun stories to share too, but I will now focus on the financial side of the Activity Center. Our current budget has approximately $150,000 in expenses. Our current revenue is projected to be $103,000 which translates into a potential $47,000 loss when our year ends on June 30th. In previous years, our losses were between $30,000 to $40,000, but we are seeing an increase in demand for our services. For the year ending on December 31, 2012, we had 438 people, up from 402 the prior year. The $300,000 requested for the Biennium comes out to just under 46 cents per person per day ($300,000 divided by 2 years divided 365 days divided by 896 people).

I will close with two comments from two prominent people from Fargo. The first is former police Chief Chris Magness who said The Activity Center keeps people out of bars and makes their job much easier. The second comment is from Roger Gress, the Fargo Park District's Superintendent who said they support the Activity Center financially because they can't do what we do with the limited funds they give us.

Thank you for your time and I will be happy to answer any questions.

13.8141.02005
Title.
Fiscal No. 4

Prepared by the Legislative Council staff for
Senator Mathern
March 19, 2013

#4
Subcom
3-28-13

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, replace lines 6 through 9 with:

"Grants - medical assistance	1,601,650,984	136,894,093	1,738,545,077
Total all funds	$2,234,028,731	$111,778,623	$2,345,807,354
Less estimated income	1,497,456,325	(75,877,936)	1,421,578,389
Total general fund	$736,572,406	$187,656,559	$924,228,965"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,280,761	$1,145,509,975
Grand total special funds	1,670,969,526	(70,654,465)	1,600,315,061
Grand total all funds	$2,598,198,740	$147,626,296	$2,745,825,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$0	$101,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$0	$44,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$350,000	$2,345,807,354
Less estimated income	1,429,648,423	1,421,403,389	175,000	1,421,578,389
General fund	$934,635,685	$924,053,965	$175,000	$924,228,965
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$0	$73,064,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$0	$53,810,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$0	$52,760,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$0	$24,696,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$0	$5,069,755
Less estimated income	1,075,139	675,139	0	675,139
General fund	$4,994,616	$4,394,616	$0	$4,394,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$0	$8,918,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$0	$5,353,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$0	$21,949,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$0	$12,763,866
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$0	$12,696,133
Less estimated income	5,162,347	5,162,347	0	5,162,347

General fund	$7,573,786	$7,533,786	$0	$7,533,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$0	$27,842,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$0	$13,704,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$0	$37,690,472
Less estimated income	15,682,226	15,357,226	0	15,357,226
General fund	$23,348,246	$22,333,246	$0	$22,333,246
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	$0	$16,753,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$0	$8,940,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$0	$29,462,590
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$0	$16,193,608
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$0	$12,305,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$0	$6,986,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$350,000	$2,745,825,036
Less estimated income	1,613,649,730	1,600,140,061	175,000	1,600,315,061
General fund	$1,176,869,527	$1,145,334,975	$175,000	$1,145,509,975

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029		104,546,029
Grants	453,774,130	453,874,130		453,874,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	350,000	1,738,545,077
Total all funds	$2,364,284,108	$2,345,457,354	$350,000	$2,345,807,354
Less estimated income	1,429,648,423	1,421,403,389	175,000	1,421,578,389
General fund	$934,635,685	$924,053,965	$175,000	$924,228,965
FTE	342.50	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of Senate Changes

	Senate Changes[1]	Total Senate Changes
Salaries and wages		
Operating expenses		
Grants		
Grants - Medical assistance	350,000	350,000
Total all funds	$350,000	$350,000
Less estimated income	175,000	175,000
General fund	$175,000	$175,000
FTE	0.00	0.00

[1]Restores funding removed by the House for infant development caseload projections.

Senator Mathern
HB 1012
3-28-13

#5
Subcomm

Department of Human Services
Autism Spectrum Disorder Waiver Scenarios HB 1012

Additional 42 slots

1FTE for DD Division to administer waiver (18 mos) *	119,042
Assessments (42 slots*$2,160 per assessment)	90,720
Fiscal Agent(42 slots*$28.22 per month *18 months)	21,334
Grant Costs (42 slots*$2,792.50 per month*18 months)	2,111,130
Total Costs	2,342,226
General Fund	1,171,113
Federal Fund	1,171,113
Total Funds	2,342,226

* Equivalent to the coordinator in SB 2193

13.8141.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Robinson
March 15, 2013

#1
Subcom
4-2-13
HB 1012

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,869,433	104,842,713
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,725,307	$2,345,754,038
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,778,243	$924,350,649"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$218,402,445	$1,145,631,659
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,572,980	$2,745,771,720
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$0	$101,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$0	$44,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$296,684	$2,345,754,038
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389
General fund	$934,635,685	$924,053,965	$296,684	$924,350,649
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$0	$73,064,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$0	$53,810,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$0	$52,760,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$0	$24,696,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$0	$5,069,755
Less estimated income	1,075,139	675,139	0	675,139
General fund	$4,994,616	$4,394,616	$0	$4,394,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$0	$8,918,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$0	$5,353,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$0	$21,949,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$0	$12,763,866

DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$0	$12,696,133
Less estimated income	5,162,347	5,162,347	0	5,162,347
General fund	$7,573,786	$7,533,786	$0	$7,533,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$0	$27,842,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$0	$13,704,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$0	$37,690,472
Less estimated income	15,682,226	15,357,226	0	15,357,226
General fund	$23,348,246	$22,333,246	$0	$22,333,246
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	$0	$16,753,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$0	$8,940,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$0	$29,462,590
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$0	$16,193,608
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$0	$12,305,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$0	$6,986,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$296,684	$2,745,771,720
Less estimated income	1,613,649,730	1,600,140,061	0	1,600,140,061
General fund	$1,176,869,527	$1,145,334,975	$296,684	$1,145,631,659

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	296,684	104,842,713
Grants	453,774,130	453,874,130		453,874,130
Grants - Medical assistance	1,755,124,680	1,738,195,077		1,738,195,077
Total all funds	$2,364,284,108	$2,345,457,354	$296,684	$2,345,754,038
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389
General fund	$934,635,685	$924,053,965	$296,684	$924,350,649
FTE	342.50	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of Senate Changes

	Adds Funding for Robinson Recovery Center[1]	Total Senate Changes
Salaries and wages		
Operating expenses	296,684	296,684
Grants		
Grants - Medical assistance		
Total all funds	$296,684	$296,684
Less estimated income	0	0
General fund	$296,684	$296,684
FTE	0.00	0.00

[1]Funding is added for additional services provided by the Robinson Recovery Center.

13.8141.02002
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
Senator Mathern
March 19, 2013

#2
4-2-13
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HB 1012

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	12,872,749	104,846,029
Grants	490,196,862	(36,222,732)	453,974,130
Grants - medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,828,623	$2,345,857,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,881,559	$924,453,965"

Page 2, replace lines 14 through 29 with:

"Statewide human service centers	$6,002,865	($933,110)	$6,069,755
Northwest human service center	8,674,568	283,623	8,958,191
North central human service center	20,902,226	1,086,945	21,989,171
Lake region human service center	11,244,306	1,491,827	12,736,133
Northeast human service center	28,089,450	(206,675)	27,882,775
Southeast human service center	33,747,874	5,282,598	39,030,472
South central human service center	16,466,240	327,643	16,793,883
West central human service center	26,352,443	3,474,303	29,826,746
Badlands human service center	11,708,054	637,664	12,345,718
State hospital	71,423,200	1,991,436	73,414,636
Developmental center	51,809,247	951,223	52,760,470
Total all funds	$286,420,473	$15,387,477	$301,807,950
Less estimated income	126,939,489	(4,411,629)	122,527,860
Total general fund	$159,480,984	$19,799,106	$179,280,090"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$221,074,917	$1,148,304,131
Grand total special funds	1,670,969,526	(70,104,465)	1,600,865,061
Grand total all funds	$2,598,198,740	$150,970,452	$2,749,169,192
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$0	$101,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$0	$44,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$400,000	$2,345,857,354
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389

General fund	$934,635,685	$924,053,965	$400,000	$924,453,965
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$350,000	$73,414,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$350,000	$54,160,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$0	$52,760,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$0	$24,696,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$1,000,000	$6,069,755
Less estimated income	1,075,139	675,139	400,000	1,075,139
General fund	$4,994,616	$4,394,616	$600,000	$4,994,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$40,000	$8,958,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$40,000	$5,393,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$40,000	$21,989,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$40,000	$12,803,866
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$40,000	$12,736,133
Less estimated income	5,162,347	5,162,347	0	5,162,347
General fund	$7,573,786	$7,533,786	$40,000	$7,573,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$40,000	$27,882,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$40,000	$13,744,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$1,340,000	$39,030,472
Less estimated income	15,682,226	15,357,226	325,000	15,682,226
General fund	$23,348,246	$22,333,246	$1,015,000	$23,348,246
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	$40,000	$16,793,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$40,000	$8,980,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$364,156	$29,826,746
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$364,156	$16,557,764
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$40,000	$12,345,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$40,000	$7,026,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$3,694,156	$2,749,169,192
Less estimated income	1,613,649,730	1,600,140,061	725,000	1,600,865,061
General fund	$1,176,869,527	$1,145,334,975	$2,969,156	$1,148,304,131

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	300,000	104,846,029
Grants	453,774,130	453,874,130	100,000	453,974,130
Grants - Medical assistance	1,755,124,680	1,738,195,077		1,738,195,077

Total all funds	$2,364,284,108	$2,345,457,354	$400,000	$2,345,857,354
Less estimated income	1,429,648,423	1,421,403,389	0	1,421,403,389
General fund	$934,635,685	$924,053,965	$400,000	$924,453,965
FTE	342.50	342.50	0.00	342.50

Department No. 328 - DHS - Program/Policy - Detail of Senate Changes

	Senate Changes[1]	Total Senate Changes
Salaries and wages		
Operating expenses	300,000	300,000
Grants	100,000	100,000
Grants - Medical assistance		
Total all funds	$400,000	$400,000
Less estimated income	0	0
General fund	$400,000	$400,000
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
Program and Policy - Proposed Senate changes:				
Mental Health and Substance Abuse Program				
Restores funding removed by the House for grants to be provided by the Governor's Prevention Advisory Council		100,000		100,000
Restores peer support funding removed by the House from all regions		300,000		300,000
Total Senate changes - Program and Policy	0.00	$400,000	$0	$400,000
Senate version - Program and policy subdivision	342.50	$924,453,965	$1,421,403,389	$2,345,857,354

House Bill No. 1012 - DHS - State Hospital - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Operating expenses			$350,000	$350,000
State Hospital	73,489,636	73,064,636		73,064,636
Total all funds	$73,489,636	$73,064,636	$350,000	$73,414,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$350,000	$54,160,473
FTE	457.45	457.45	0.00	457.45

Department No. 329 - DHS - State Hospital - Detail of Senate Changes

	Senate Changes[1]	Total Senate Changes
Operating expenses	$350,000	$350,000
State Hospital		
Total all funds	$350,000	$350,000
Less estimated income	0	0
	$350,000	$350,000

General fund		
FTE	0.00	0.00

1

	FTE	General Fund	Estimated Income	Total
House version - State Hospital	457.45	$53,810,473	$19,254,163	$73,064,636
State Hospital - Proposed Senate changes:				
Restores funding removed by the House for operating		$350,000		$350,000
Total Senate changes - State Hospital	0.00	$350,000	$0	$350,000
Senate version - State Hospital	457.45	$54,160,473	$19,254,163	$73,414,636

House Bill No. 1012 - Human Service Centers - General Fund Summary

	Executive Budget	House Version	Senate Changes[1]	Senate Version
DHS - Management	$62,588,752	$44,570,076		$44,570,076
DHS - Program/Policy	934,635,685	924,053,965	400,000	924,453,965
DHS - State Hospital	54,235,473	53,810,473	350,000	54,160,473
DHS - Developmental Center	24,986,252	24,696,252		24,696,252
DHS - Statewide HSC	4,994,616	4,394,616	600,000	4,994,616
DHS - Northwest HSC	5,393,391	5,353,391	40,000	5,393,391
DHS - North Central HSC	12,803,866	12,763,866	40,000	12,803,866
DHS - Lake Region HSC	7,573,786	7,533,786	40,000	7,573,786
DHS - Northeast HSC	13,744,433	13,704,433	40,000	13,744,433
DHS - Southeast HSC	23,348,246	22,333,246	1,015,000	23,348,246
DHS - South Central HSC	8,980,593	8,940,593	40,000	8,980,593
DHS - West Central HSC	16,557,764	16,193,608	364,156	16,557,764
DHS - Badlands HSC	7,026,670	6,986,670	40,000	7,026,670
Total general fund	$1,176,869,527	$1,145,334,975	$2,969,156	$1,148,304,131

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	Executive Budget	House Version	Senate Changes[1]	Senate Version
DHS - Management	$61,473,447	$56,933,812		$56,933,812
DHS - Program/Policy	1,429,648,423	1,421,403,389		1,421,403,389
DHS - State Hospital	19,254,163	19,254,163		19,254,163
DHS - Developmental Center	28,064,218	28,064,218		28,064,218
DHS - Statewide HSC	1,075,139	675,139	400,000	1,075,139
DHS - Northwest HSC	3,564,800	3,564,800		3,564,800
DHS - North Central HSC	9,185,305	9,185,305		9,185,305
DHS - Lake Region HSC	5,162,347	5,162,347		5,162,347
DHS - Northeast HSC	14,138,342	14,138,342		14,138,342
DHS - Southeast HSC	15,682,226	15,357,226	325,000	15,682,226
DHS - South Central HSC	7,813,290	7,813,290		7,813,290
DHS - West Central HSC	13,268,982	13,268,982		13,268,982
DHS - Badlands HSC	5,319,048	5,319,048		5,319,048
Total other funds	$1,613,649,730	$1,600,140,061	$725,000	$1,600,865,061

House Bill No. 1012 - Human Service Centers - All Funds Summary

	Executive Budget	House Version	Senate Changes[1]	Senate Version
DHS - Management	$124,062,199	$101,503,888		$101,503,888
DHS - Program/Policy	2,364,284,108	2,345,457,354	400,000	2,345,857,354
DHS - State Hospital	73,489,636	73,064,636	350,000	73,414,636
DHS - Developmental Center	53,050,470	52,760,470		52,760,470
DHS - Statewide HSC	6,069,755	5,069,755	1,000,000	6,069,755
DHS - Northwest HSC	8,958,191	8,918,191	40,000	8,958,191

DHS - North Central HSC	21,989,171	21,949,171	40,000	21,989,171
DHS - Lake Region HSC	12,736,133	12,696,133	40,000	12,736,133
DHS - Northeast HSC	27,882,775	27,842,775	40,000	27,882,775
DHS - Southeast HSC	39,030,472	37,690,472	1,340,000	39,030,472
DHS - South Central HSC	16,793,883	16,753,883	40,000	16,793,883
DHS - West Central HSC	29,826,746	29,462,590	364,156	29,826,746
DHS - Badlands HSC	12,345,718	12,305,718	40,000	12,345,718
Total all funds	$2,790,519,257	$2,745,475,036	$3,694,156	$2,749,169,192
FTE	2197.08	2196.08	0.00	2196.08

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STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755
Statewide Human Service Center - Proposed Senate changes:				
Restores operating funds removed by the House for all human service centers		$600,000	$400,000	$1,000,000
Total Senate changes - Statewide Human Service Center	0.00	$600,000	$400,000	$1,000,000
Senate version - Statewide Human Service Center	13.00	$4,994,616	$1,075,139	$6,069,755

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Northwest Human Service Center	43.75	$5,353,391	$3,564,800	$8,918,191
Northwest Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - Northwest Human Service Center	0.00	$40,000	$0	$40,000
Senate version - Northwest Human Service Center	43.75	$5,393,391	$3,564,800	$8,958,191

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - North Central Human Service Center	120.78	$12,763,866	$9,185,305	$21,949,171
North Central Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - North Central Human Service Center	0.00	$40,000	$0	$40,000
Senate version - North Central Human Service Center	120.78	$12,803,866	$9,185,305	$21,989,171

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Lake Region Human Service Center	61.00	$7,533,786	$5,162,347	$12,696,133
Lake Region Human Service Center - Proposed House changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - Lake Region Human Service Center	0.00	$40,000	$0	$40,000

Senate version - Lake Region Human Service Center	61.00	$7,573,786	$5,162,347	$12,736,133

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Northeast Human Service Center	138.50	$13,704,433	$14,138,342	$27,842,775
Northeast Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - Northeast Human Service Center	0.00	$40,000	$0	$40,000
Senate version - Northeast Human Service Center	138.50	$13,744,433	$14,138,342	$27,882,775

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Southeast Human Service Center	185.15	$22,333,246	$15,357,226	$37,690,472
Southeast Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for a 16-unit transitional living facility		$975,000	$325,000	$1,300,000
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - Southeast Human Service Center	0.00	$1,015,000	$325,000	$1,340,000
Senate version - Southeast Human Service Center	185.15	$23,348,246	$15,682,226	$39,030,472

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - South Central Human Service Center	83.50	$8,940,593	$7,813,290	$16,753,883
South Central Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - South Central Human Service Center	0.00	$40,000	$0	$40,000
Senate version - South Central Human Service Center	83.50	$8,980,593	$7,813,290	$16,793,883

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - West Central Human Service Center	136.10	$16,193,608	$13,268,982	$29,462,590
West Central Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for a 4-bed mental illness/chemical dependency crisis facility		$324,156		$324,156
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - West Central Human Service Center	0.00	$364,156	$0	$364,156
Senate version - West Central Human Service Center	136.10	$16,557,764	$13,268,982	$29,826,746

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total

House version - Badlands Human Service Center	74.70	$6,986,670	$5,319,048	$12,305,718
Badlands Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for the transition to independence program		$40,000		$40,000
Total Senate changes - Badlands Human Service Center	0.00	$40,000	$0	$40,000
Senate version - Badlands Human Service Center	74.70	$7,026,670	$5,319,048	$12,345,718

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#3 Maggie Anderson 4-2-13 Subco

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-24 and"

Page 1, line 4, after "relating" insert "to criminal background checks for certain foster care providers and"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters."

Renumber accordingly

Department of Human Services
Bills with a Fiscal Impact
2013-2015 Biennium

Through Floor Action on Monday, April 1, 2013

1038	Provides an appropriation to DHS for autism-related programs **(Passed House) (Amended in Senate)**	1.00	900,000	-	-	2,219,854	-	2,219,854
1170	Provides nursing and basic care facilities with an expedited ratesetting process to cover costs associated with Patient Protection and ACA as it relates to health insurance policies to the facilities' employees **(Passed House)**	-	-	-	-	830,922	830,922	1,661,844
1172	Allows nursing homes or basic care service providers the first preferred claim against a decedent's estate for outstanding recipient liability owed to the facility **(Passed House) (Passed Senate)**	-	-	-	-	49,810	50,190	100,000
1176	Allows individuals convicted of a drug felony to be eligible to participate in SNAP and TANF programs if at least seven years has elapsed since their most recent conviction **(Passed House) (Passed Senate)**	-	-	-	-	11,136	489,168	500,304
1209	Restricts DHS from limiting compensation for top management personnel of a basic care facility with some exceptions **(Passed House) (Passed Senate)**	-	-	-	-	435,481	-	435,481
1233	Provides for additional state financial support for county social service programs provided at the direction of the state **(Passed House)**	-	-	-	-	20,542,038	(19,947,758)	594,280
1274	Requires ND Medicaid to accept electronic prior authorizations submitted by prescribers through their e-prescribing software **(Passed House)**	-	-	-	1.00	74,831	224,493	299,324
1362	Provides an appropriation to DHS any amount of federal funds relating to implementing the provisions for the expansion of the medical assistance program for the Patient Protection and ACA **(Passed House)**	-	-	-	3.00	248,789	157,742,548	157,991,337
2193	Provides an appropriation to DHS for autism-related programs **(Passed Senate)**	1.00	900,000	-	-	2,219,854	-	2,219,854
2271	Provides for DHS to provide administrative services to the Committee of Employment of People with Disabilities **(Passed Senate) (Passed House)**	-	-	-	-	27,954	12,000	39,954
2323	Requires mandatory reporting of abuse or neglect of a vulnerable adult **(Passed Senate)**	-	-	-	2.00	431,116	-	431,116
	Totals	**2.00**	**1,800,000**	**-**	**6.00**	**27,091,785**	**139,401,563**	**166,493,348**
1233	Provides for additional state financial support for county social service programs provided at the direction of the state **(Version endorsed by Senate Human Services Committee)**	-	-	-	-	102,512,371	(21,574,664)	80,937,707
	Totals	**2.00**	**1,800,000**	**-**	**6.00**	**109,062,118**	**137,774,657**	**246,836,775**
1360	Authorizes the Department to provide funding for the expansion of the Programs for All-Inclusive Care for the Elderly (PACE)	-	-	-	-	855,582	855,582	1,711,164

HB 1013
Subcom 4-2-13
Paul Kramer

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FIRST ENGROSSMENT

#5
HB 1012
4-2-13
Subcomm
(Paul Kramer)

Sixty-third
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

(At the request of the Governor)

A Bill for an Act providing an appropriation for defraying the expenses of the department of human services; to provide for intermediate care facility construction review and personal needs allowances; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota Century Code, relating to definitions for expanded services payments for elderly and disabled; to provide an exemption; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of human services for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2013, and ending June 30, 2015, as follows:

Subdivision 1.

MANAGEMENT

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	4,968,982	67,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$23,754,352	$101,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$13,394,252	$44,570,076

Subdivision 2.

PROGRAM AND POLICY

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	$50,207,605	$(1,365,487)	$48,842,118
Operating expenses	91,973,280	12,572,749	104,546,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - Medical assistance	1,601,650,984	136,544,093	1,738,195,077
Total all funds	$2,234,028,731	$111,428,623	$2,345,457,354
Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
Total general fund	$736,572,406	$187,481,559	$924,053,965

Subdivision 3.

FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Field services	$286,420,473	$12,093,321	$298,513,794
Total all funds	$286,420,473	$12,093,321	$298,513,794
Less estimated income	126,939,489	(5,136,629)	121,802,860
Total general fund	$159,480,984	$17,229,950	$176,710,934

Subdivision 4.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total general fund	$927,229,214	$218,105,761	$1,145,334,975
Grand total special funds	1,670,969,526	(70,829,465)	1,600,140,061
Grand total all funds	$2,598,198,740	$147,276,296	$2,745,475,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08

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Title.
Fiscal No. 8

Prepared by the Legislative Council staff for
Senator Kilzer
April 6, 2013

#1
Subcom
4-9-13

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-04 and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers and"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$31,964,747	$47,346,880
Operating expenses	62,229,003	5,218,982	67,447,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$37,057,329	$114,806,865
Less estimated income	46,573,712	14,422,738	60,996,450
Total general fund	$31,175,824	$22,634,591	$53,810,415"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,906,749	106,880,029
Grants	490,196,862	(35,972,732)	454,224,130
Grants - medical assistance	1,601,650,984	167,644,926	1,769,295,910
Total all funds	$2,234,028,731	$145,213,456	$2,379,242,187
Less estimated income	1,497,456,325	(61,475,771)	1,435,980,554
Total general fund	$736,572,406	$206,689,227	$943,261,633"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,040,662	$174,228,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$13,708,321	$300,128,794
Less estimated income	126,939,489	(4,811,629)	122,127,860
Total general fund	$159,480,984	$18,519,950	$178,000,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$247,843,768	$1,175,072,982
Grand total special funds	1,670,969,526	(51,864,662)	1,619,104,864
Grand total all funds	$2,598,198,740	$195,979,106	$2,794,177,846
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace line 15 with:

"State hospital capital projects	1,800,000	864,714"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,669,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,583,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters."

Page 5, remove lines 22 through 29 personal needs allowance based on LPI

Page 6, line 5, replace "$150,000" with "$300,000" Ramsey County

Page 6, remove lines 11 through 16 Anne's House

Page 6, after line 30, insert:

"**SECTION 16. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$33,784,833	$2,379,242,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,207,668	$943,261,633
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0

	Executive Budget	House Version	Senate changes	Senate Version
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated Income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0
Less estimated Income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
DHS - Field Services				
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$48,702,810	$2,794,177,846
Less estimated income	1,613,649,730	1,600,140,061	18,964,803	1,619,104,864
General fund	$1,176,869,527	$1,145,334,975	$29,738,007	$1,175,072,982

House Bill No. 1012 - DHS - Management - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$51,102,214	$34,293,903	$13,052,977	$47,346,880
Operating expenses	72,743,825	67,197,985	250,000	67,447,985
Capital assets	216,160	12,000		12,000
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
FTE	148.10	147.10	0.00	147.10

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Senate changes:				
Administration - Support				
Restores compensation adjustments made by the House		$8,990,339	$4,062,638	$13,052,977
Restores a portion of operating expense reductions made by the House		$250,000		$250,000
Information Technology Services				
No changes				
Total Senate changes - Management	0.00	$9,240,339	$4,062,638	$13,302,977

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	2,334,000	106,880,029
Grants	453,774,130	453,874,130	350,000	454,224,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	31,100,833	1,769,295,910
Total all funds	$2,364,284,108	$2,345,457,354	$33,784,833	$2,379,242,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,207,668	$943,261,633
FTE	342.50	342.50	0.00	342.50

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations.		42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential		78,040	21,960	100,000
Restores a portion of caseload projections reduced by the House for transportation ($250,000) and CHIPS ($650,000)		352,500	547,500	900,000
Long Term Care Program				
Restores a portion of funding removed by the House for long term care caseload projections as follows:		1,122,500	977,500	2,100,000
Nursing homes - $955,000				
HCBS waiver - $1,000,000				

Expanded SPED - $145,000				
Restores funding removed by the House for personal needs allowance for basic care ($193,725) and intermediate care facility for the intellectually disabled ($170,280)		278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1		14,858,778	12,728,050	27,586,828
Removes funding for adaptive skiing program added by the House		(200,000)		(200,000)
Restores funding removed by the House for infant development caseload projections. The House removed this funding as part of the DD caseload projection reduction.		175,000	175,000	350,000
Aging Services Program				
Restores funding removed by the House for guardianship services		1,000,000		1,000,000
Adds funding for senior meals		900,000		900,000
Children and Family Services Program				
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000. The House added $150,000.		150,000		150,000
Mental Health and Substance Abuse Program				
Adds funding for additional services to be provided by Robinson Recovery Center		150,000		150,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
Adds funding for grants to existing facilities that provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities		150,000		150,000
Adds funding for guardianship services for developmentally disabled individuals		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000. The House added $50,000		50,000		50,000
Total Senate changes - Program and Policy	0.00	$19,207,668	$14,577,165	$33,784,833

A section is added relating to background checks for foster care providers.

A section added by the House relating to personal needs allowance adjustments is removed.

A section of legislative intent is added allowing the department to hire a deputy director.

House Bill No. 1012 - DHS - State Hospital - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
State Hospital	$73,489,636	$73,064,636	($73,064,636)	
	$73,489,636	$73,064,636	($73,064,636)	$0
Total all funds				
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
	$54,235,473	$53,810,473	($53,810,473)	$0
General fund				
FTE	457.45	457.45	(457.45)	0.00

House Bill No. 1012 - DHS - Developmental Center - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Developmental Center	$53,050,470	$52,760,470	($52,760,470)	
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
FTE	392.55	392.55	(392.55)	0.00

House Bill No. 1012 - DHS - Statewide HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Statewide human service centers	$6,069,755	$5,069,755	($5,069,755)	
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
FTE	13.00	13.00	(13.00)	0.00

House Bill No. 1012 - DHS - Northwest HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northwest Human Service Center	$8,958,191	$8,918,191	($8,918,191)	
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
FTE	43.75	43.75	(43.75)	0.00

House Bill No. 1012 - DHS - North Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
North Central Human Service Center	$21,989,171	$21,949,171	($21,949,171)	
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
FTE	120.78	120.78	(120.78)	0.00

House Bill No. 1012 - DHS - Lake Region HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Lake Region Human Service	$12,736,133	$12,696,133	($12,696,133)	

Center				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
FTE	61.00	61.00	(61.00)	0.00

House Bill No. 1012 - DHS - Northeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northeast Human Service Center	$27,882,775	$27,842,775	($27,842,775)	
	$27,882,775	$27,842,775	($27,842,775)	$0
Total all funds				
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
	$13,744,433	$13,704,433	($13,704,433)	$0
General fund				
FTE	138.50	138.50	(185.15)	(46.65)

House Bill No. 1012 - DHS - Southeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Southeast Human Service Center	$39,030,472	$37,690,472	($37,690,472)	
	$39,030,472	$37,690,472	($37,690,472)	$0
Total all funds				
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
	$23,348,246	$22,333,246	($22,333,246)	$0
General fund				
FTE	185.15	185.15	(185.15)	0.00

House Bill No. 1012 - DHS - South Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
South Central Human Service Center	$16,793,883	$16,753,883	($16,753,883)	
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
FTE	83.50	83.50	(83.50)	0.00

House Bill No. 1012 - DHS - West Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
West Central Human Service Center	$29,826,746	$29,462,590	($29,462,590)	
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0

Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
FTE	136.10	136.10	(136.10)	0.00

House Bill No. 1012 - DHS - Badlands HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Badlands Human Service Center	$12,345,718	$12,305,718	($12,305,718)	
	$12,345,718	$12,305,718	($12,305,718)	$0
Total all funds				
Less estimated income	5,319,048	5,319,048	(5,319,048)	0
	$7,026,670	$6,986,670	($6,986,670)	$0
General fund				
	74.70	74.70	(74.70)	0.00
FTE				

House Bill No. 1012 - DHS - Field Services - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Human service centers			$174,228,688	$174,228,688
Institutions			125,900,106	125,900,106
	$0	$0	$300,128,794	$300,128,794
Total all funds				
Less estimated income	0	0	122,127,860	122,127,860
	$0	$0	$178,000,934	$178,000,934
General fund				
	0.00	0.00	1706.48	1706.48
FTE				

Department No. 349 - DHS - Field Services - Detail of Senate Changes

	Creates Field Services Subdivision[1]	Senate Changes[2]	Total Senate Changes
Human service centers	$172,688,688	$1,540,000	$174,228,688
Institutions	125,825,106	75,000	125,900,106
Total all funds	$298,513,794	$1,615,000	$300,128,794
Less estimated income	121,802,860	325,000	122,127,860
General fund	$176,710,934	$1,290,000	$178,000,934
FTE	1706.48	0.00	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the institutions line item and all of the human service centers are combined into one human service centers line item.

	FTE	General Fund	Estimated Income	Total
Field Services Subdivision				
[2]Field Services - Proposed Senate changes:				
State Hospital				

Restores funding removed by the House for water temperature controls for shower rooms in LaHaug building		$75,000		$75,000
Southeast Human Service Center				
Restores funding removed by the House for a 16-unit transitional living facility		$975,000	$325,000	$1,300,000
South Central Human Service Center				
Adds funding for transitional employment grants		$240,000		$240,000
Total Senate changes - Field Services Subdivision	0.00	$1,290,000	$325,000	$1,615,000

Senator Mathern #2
4-9-13

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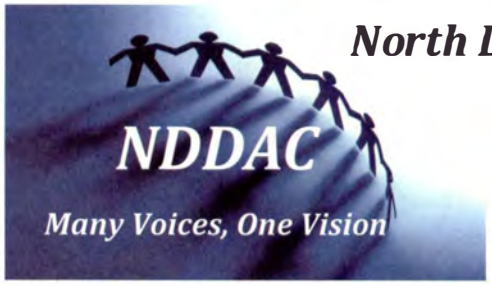
Department of Human Services
HB 1012 (2013-2015 Biennium)

Description	House Amendments FTE	House Amendments General Fund	House Amendments Federal Funds	House Amendments Other Funds	House Amendments Total	Proposed Senate Amendments FTE	Proposed Senate Amendments General Fund	Proposed Senate Amendments Federal Funds	Proposed Senate Amendments Other Funds	Proposed Senate Amendments Total	Remaining Changes From the Executive Budget FTE	Remaining Changes General Fund	Remaining Changes Federal Funds	Remaining Changes Other Funds	Remaining Changes Total
Administration - Support:															
Corrects executive compensation package		223,028	100,201		323,229		-	-	-	-		223,028	100,201	-	323,229
Reduce state employee compensation and benefits package		(8,990,339)	(4,062,638)		(13,052,977)		8,990,339	4,062,638	-	13,052,977		-	-	-	-
Remove OAR #4 - Oil Patch Add-On for Staff of Williston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)		-	-	-	-		(3,253,008)	(514,992)	-	(3,768,000)
Remove Deputy Director (Section 16 - Intent Language Added by Senate)	(1.0)	(248,357)	(62,206)	-	(310,563)		-	-	-	-	(1.0)	(248,357)	(62,206)	-	(310,563)
Reduce Central Office Operating Budget		(750,000)	-	-	(750,000)		250,000	-	-	250,000		(500,000)	-	-	(500,000)
Total Administration - Support	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)	-	9,240,339	4,062,638	-	13,302,977	(1.0)	(3,778,337)	(476,997)	-	(4,255,334)
Information Technology Services:															
Remove OAR #26 - Electronic Health Records System Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)					-		(5,000,000)	-	-	(5,000,000)
Medial Services:															
Remove Professional Medical Expert Reviews		(42,000)	(42,000)	-	(84,000)		42,000	42,000	-	84,000		-	-	-	-
Remove Program Integrity Services		(158,000)	(158,000)	-	(316,000)		-	-	-	-		(158,000)	(158,000)	-	(316,000)
Remove Provider Screening Contract		(120,000)	(120,000)	-	(240,000)		-	-	-	-		(120,000)	(120,000)	-	(240,000)
Remove Qualified Service Provider Mileage Differential Oversight		(78,040)	(21,960)	-	(100,000)		78,040	21,960	-	100,000		-	-	-	-
Increase Medicare Clawback Payment		248,265	-	-	248,265		-	-	-	-		248,265	-	-	248,265
Remove Section 3 - Medicaid Expansion							-	-	-			-	-	-	
Reduce OAR #2 - Affordable Care Act - Previously Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)		-	-	-	-		(2,268,289)	(2,268,309)	-	(4,536,598)
Reduce Medical Services Grants		(909,500)	(1,299,500)	-	(2,209,000)		352,500	547,500	-	900,000		(557,000)	(752,000)	-	(1,309,000)
Total Medical Services		(3,327,564)	(3,909,769)	-	(7,237,333)		472,540	611,460	-	1,084,000		(2,855,024)	(3,298,309)	-	(6,153,333)
Long Term Care:															
Reduce Long Term Care Grants		(4,145,000)	(4,000,000)	-	(8,145,000)		1,122,500	977,500	-	2,100,000		(3,022,500)	(3,022,500)	-	(6,045,000)
Remove Personal Needs Allowance increase for Basic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)		278,850	85,155	-	364,005		-	-	-	-
Add Section 9 - CPI on Personal Needs Allowances Effective January 1, 2016							-	-	-	-		-	-	-	-
Funding Switch for Nursing Home Bed Layaway (General Fund to Health Care Trust Fund)		(546,786)	-	546,786	-		-	-	-	-		(546,786)	-	546,786	-
Add Section 10 - Buy down Assisted Living Facility loans (Health Care Trust Fund)		-	-	425,000	425,000		-	-	-	-		-	-	425,000	425,000
Reduce Developmental Disability Grants		(1,150,000)	(1,150,000)	-	(2,300,000)		175,000	175,000	-	350,000		(975,000)	(975,000)	-	(1,950,000)
Add Section 12 - Provide a grant for Adaptive Skiing Program (Annie's House)		200,000	-	-	200,000		(200,000)	-	-	(200,000)		-	-	-	-
Add Section 8 - Review ICF/ID construction and remodeling projects												-	-	-	-
Total Long Term Care		(5,920,636)	(5,235,155)	971,786	(10,184,005)		1,376,350	1,237,655	-	2,614,005		(4,544,286)	(3,997,500)	971,786	(7,570,000)
Aging Services:															
Remove Guardianship funding		(1,000,000)	-	-	(1,000,000)		1,000,000			1,000,000		-	-	-	-
Children and Family Services:															
Remove OAR #32 - Post Adoption Services		(133,520)	(71,896)	-	(205,416)		-	-	-	-		(133,520)	(71,896)	-	(205,416)
Add Section 11 - Funding for Ramsey County		150,000	-	-	150,000		150,000	-	-	150,000		300,000	-	-	300,000
Total Children and Family Services		16,480	(71,896)	-	(55,416)		150,000	-	-	150,000		166,480	(71,896)	-	94,584
Mental Health and Substance Abuse:															
Remove OAR #33 - Peer Support		(300,000)	-	-	(300,000)		-	-	-	-		(300,000)	-	-	(300,000)
Reduce funding for Governor's Prevention Advisory Council Grants		(100,000)	-	-	(100,000)		-	-	-	-		(100,000)	-	-	(100,000)
Total Mental Health and Substance Abuse		(400,000)	-	-	(400,000)		-	-	-	-		(400,000)	-	-	(400,000)
Vocational Rehabilitation:															
Add funding for Older Blind program		50,000	-	-	50,000		50,000	-	-	50,000		100,000	-	-	100,000
Field Services															
Human Service Centers (HSC):															
Reduce HSCs Operating Budget		(600,000)	(400,000)	-	(1,000,000)		-	-	-	-		(600,000)	(400,000)	-	(1,000,000)
Remove Transition to Independence Program (TIP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)		-	-	-	-		(320,000)	-	-	(320,000)
Remove OAR #13 - 16 Unit Transitional Living Facility - SEHSC		(975,000)	(325,000)	-	(1,300,000)		975,000	325,000	-	1,300,000		-	-	-	-
Remove OAR #18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)		-	-	-	-		(324,156)	-	-	(324,156)
Total Human Service Centers		(2,219,156)	(725,000)	-	(2,944,156)		975,000	325,000	-	1,300,000		(1,244,156)	(400,000)	-	(1,644,156)
Institutions:															
Reduce State Hospital Operating Budget		(350,000)	-	-	(350,000)		-	-	-	-		(350,000)	-	-	(350,000)
Remove State Hospital Repair for water temperature controls for LaHaug Building		(75,000)	-	-	(75,000)		75,000	-	-	75,000		-	-	-	-
Reduce Developmental Center Operating Budget		(150,000)	-	-	(150,000)		-	-	-	-		(150,000)	-	-	(150,000)
Add Section 14 - Reduce OARs #35 & 36 for the demolition of 2 buildings		(140,000)	-	-	(140,000)		-	-	-	-		(140,000)	-	-	(140,000)
Add Section 13 - Legislative Study of the Developmental Center												-	-	-	
Total Institutions		(715,000)	-	-	(715,000)		75,000	-	-	75,000		(640,000)	-	-	(640,000)
Subtotal of Amendments	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)	-	13,339,229	6,236,753	-	19,575,982	(1.0)	(18,195,323)	(8,244,702)	971,786	(25,468,239)
Other Senate Amendments not Included in Executive Budget															
Increase Wages from $0.50 to $1 for Nursing Fac., Basic Care, DD & QSP Providers							14,858,778	12,728,050	-	27,586,828					
Adds Additional Funding for Senior Meal Program							900,000	-	-	900,000					
Adds Funding for Additional Services to be Provided by Robinson Recovery Center							150,000	-	-	150,000					
Addition for Existing Facilities who Provide Leisure, Recreational & Educational Programs							150,000	-	-	150,000					
Adds Funding for DD Corporate Guardianship Services							100,000	-	-	100,000					
Adds Funding for Transitional Employment Grants - South Central Human Service Center							240,000	-	-	240,000					
Total Other Senate Amendments not Included in Executive Budget							16,398,778	12,728,050	-	29,126,828					
Total Senate Amendments							29,738,007	18,964,803	-	48,702,810					

#3

HB 1012
Senate
4-9-13



North Dakota Disabilities Advocacy Consortium

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April 8, 2013

Members of the Senate Appropriations Committee
ND State Legislature
State Capitol
Bismarck, ND 58505

RE: HB 1012

Dear Senator,

The North Dakota Disabilities Advocacy Consortium (NDDAC) is a collaborative coalition comprised of 15 North Dakota organizations (see attached list) committed to advocating for public policy that benefits North Dakotans with disabilities and their families. The NDDAC mission is *"to advocate for public policy to ensure that people with disabilities have the supports and services they need to be as productive and independent as possible."*

NDDAC has been closely monitoring the Department of Human Services budget (HB 1012) as many of the critical services and supports needed by people with disabilities are contained in this bill. NDDAC respectfully requests that you make the following *funding restorations* to HB 1012 to assure that needed services can be provided in the coming biennium:

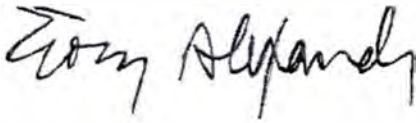
- Increase the personal needs allowance for people in Basic Care and ICF/ID facilities to $100/month as recommended in the Governor's budget
- Funding for the home and community-based (HCBS) waiver for SPED and expanded SPED
- Full funding for developmental disabilities (DD) caseload projections including Infant Development, ICF/ID and minimally supervised living arrangements (MSLA)
- $40,000 per region for the Transition to Independence Programs contained in each regional Human Service Center budget
- Transitional living facility (16 beds) for mental health needs in the Southeast Human Service Center region (Fargo)
- Full funding for the 4 beds in the West Central Human Service Center region (Bismarck) for mental health and substance abuse treatment
- Peer support program funding as recommended in the Governor's budget

In addition, the NDDAC urges the Committee to pass amendments for *additional funding* for the following initiatives that are of great importance to people with disabilities:

- Expand available Benefits Planning services by adding funding to increase consumer access around the state. Benefits Planners help individuals better understand how they can become employed and transition toward independence.
- Expand and refocus the Medicaid Waiver for Autism Spectrum Disorders (ASD) services to cover 42 additional individuals from birth to age twenty two and to provide appropriate behavior intervention and treatment services

Thank you for your service to the people and the state of North Dakota.

Sincerely,



President
NDDAC Board of Directors

Senators Ray Holmberg, Bill Bowman, Tony Grindberg, Ron Carlisle, Robert Erbele, Ralph Kilzer, Karen Krebsbach, Gary Lee, Terry Wanzek, Tim Mathern, David O'Connell, Larry Robinson and John Warner

Members of the
North Dakota Disabilities Advocacy Consortium
(NDDAC)
2013

AARP North Dakota

American People Self-Advocacy Association

Experience Works

Family Voices of North Dakota
(FVND)

Mental Health America of North Dakota
(MHAND)

National Multiple Sclerosis Society

North Dakota Association for Persons in Supported Employment
(ND-APSE)

North Dakota Association of Community Providers
(NDACP)

North Dakota Association of the Blind

North Dakota Center for Persons with Disabilities
(NDCPD)

North Dakota Consumer and Family Network

North Dakota Federation of Families for Children's Mental Health
(NDFFCMH)

North Dakota Protection & Advocacy Project
(P & A)

The Arc of Bismarck

The Arc of North Dakota

13.8141.02014
Title.
Fiscal No. 8

Prepared by the Legislative Council staff for
Senator Kilzer
April 6, 2013

Passed #1
4-10-13
HB 1012

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 3, after "reenact" insert "subdivision f of subsection 2 of section 12-60-04 and"

Page 1, line 4, after the first "to" insert "criminal background checks for foster care providers and"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$31,964,747	$47,346,880
Operating expenses	62,229,003	5,218,982	67,447,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$37,057,329	$114,806,865
Less estimated income	46,573,712	14,422,738	60,996,450
Total general fund	$31,175,824	$22,634,591	$53,810,415"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	14,906,749	106,880,029
Grants	490,196,862	(35,972,732)	454,224,130
Grants - medical assistance	1,601,650,984	167,644,926	1,769,295,910
Total all funds	$2,234,028,731	$145,213,456	$2,379,242,187
Less estimated income	1,497,456,325	(61,475,771)	1,435,980,554
Total general fund	$736,572,406	$206,689,227	$943,261,633"

Page 2, replace lines 11 through 29 with:

"FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,188,026	$11,040,662	$174,228,688
Institutions	123,232,447	2,667,659	125,900,106
Total all funds	$286,420,473	$13,708,321	$300,128,794
Less estimated income	126,939,489	(4,811,629)	122,127,860
Total general fund	$159,480,984	$18,519,950	$178,000,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$247,843,768	$1,175,072,982
Grand total special funds	1,670,969,526	(51,864,662)	1,619,104,864
Grand total all funds	$2,598,198,740	$195,979,106	$2,794,177,846
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 3, replace line 15 with:

"State hospital capital projects	1,800,000	864,714"

Page 3, replace lines 24 through 26 with:

"Total all funds	$50,349,515	$2,669,714
Less estimated income	36,602,712	1,086,093
Total general fund	$13,746,803	$1,583,621"

Page 4, after line 21, insert:

"**SECTION 7. AMENDMENT.** Subdivision f of subsection 2 of section 12-60-24 of the North Dakota Century Code is amended and reenacted as follows:

f. The department of human services for foster care licenses and approvals under chapter 50-11, appointments of legal guardians under chapter 50-11.3, and petitions for adoptions under chapter 50-12, except that the criminal history record investigation must be conducted in accordance with those chapters. A criminal history record investigation completed under chapter 50-11, 50-11.3, or 50-12 may be used to satisfy the requirements of a criminal history record investigation under either of the other two chapters."

Page 5, remove lines 22 through 29

Page 6, line 5, replace "$150,000" with "$300,000"

Page 6, remove lines 11 through 16

Page 6, after line 30, insert:

"**SECTION 16. LEGISLATIVE INTENT - DEPUTY DIRECTOR POSITION.** The removal of the full-time equivalent position in the administration and support division does not preclude the department of human services from employing a deputy director. The department may use an existing full-time equivalent position for the purpose of a deputy director position."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$33,784,833	$2,379,242,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,207,668	$943,261,633
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	($73,064,636)	$0
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
General fund	$54,235,473	$53,810,473	($53,810,473)	$0
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0

General fund	$4,994,616	$4,394,616	($4,394,616)	$0
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	($27,842,775)	$0
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
General fund	$13,744,433	$13,704,433	($13,704,433)	$0
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	($37,690,472)	$0
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
General fund	$23,348,246	$22,333,246	($22,333,246)	$0
DHS - South Central HSC				
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0
Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	($12,305,718)	$0
Less estimated income	5,319,048	5,319,048	(5,319,048)	0
General fund	$7,026,670	$6,986,670	($6,986,670)	$0
DHS - Field Services				
Total all funds	$0	$0	$300,128,794	$300,128,794
Less estimated income	0	0	122,127,860	122,127,860
General fund	$0	$0	$178,000,934	$178,000,934
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$48,702,810	$2,794,177,846
Less estimated income	1,613,649,730	1,600,140,061	18,964,803	1,619,104,864
General fund	$1,176,869,527	$1,145,334,975	$29,738,007	$1,175,072,982

House Bill No. 1012 - DHS - Management - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$51,102,214	$34,293,903	$13,052,977	$47,346,880
Operating expenses	72,743,825	67,197,985	250,000	67,447,985
Capital assets	216,160	12,000		12,000
Total all funds	$124,062,199	$101,503,888	$13,302,977	$114,806,865
Less estimated income	61,473,447	56,933,812	4,062,638	60,996,450
General fund	$62,588,752	$44,570,076	$9,240,339	$53,810,415
FTE	148.10	147.10	0.00	147.10

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Senate changes:				
Administration - Support				
Restores compensation adjustments made by the House		$8,990,339	$4,062,638	$13,052,977
Restores a portion of operating expense reductions made by the House		$250,000		$250,000
Information Technology Services				
No changes				
Total Senate changes - Management	0.00	$9,240,339	$4,062,638	$13,302,977

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	2,334,000	106,880,029
Grants	453,774,130	453,874,130	350,000	454,224,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	31,100,833	1,769,295,910
Total all funds	$2,364,284,108	$2,345,457,354	$33,784,833	$2,379,242,187
Less estimated income	1,429,648,423	1,421,403,389	14,577,165	1,435,980,554
General fund	$934,635,685	$924,053,965	$19,207,668	$943,261,633
FTE	342.50	342.50	0.00	342.50

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Restores funding removed by the House for professional medical expert reviews of medical records and prior authorizations.		42,000	42,000	84,000
Restores funding removed by the House for oversight for qualified service provider mileage differential		78,040	21,960	100,000
Restores a portion of caseload projections reduced by the House for transportation ($250,000) and CHIPS ($650,000)		352,500	547,500	900,000
Long Term Care Program				
Restores a portion of funding removed by the House for long term care caseload projections as follows:		1,122,500	977,500	2,100,000
Nursing homes - $955,000				
HCBS waiver - $1,000,000				

Expanded SPED - $145,000				
Restores funding removed by the House for personal needs allowance for basic care ($193,725) and intermediate care facility for the intellectually disabled ($170,280)		278,850	85,155	364,005
Adds funding to increase nursing facility, basic care, DD and QSP provider wage passthrough increase from 50 cents to $1		14,858,778	12,728,050	27,586,828
Removes funding for adaptive skiing program added by the House		(200,000)		(200,000)
Restores funding removed by the House for infant development caseload projections. The House removed this funding as part of the DD caseload projection reduction.		175,000	175,000	350,000
Aging Services Program				
Restores funding removed by the House for guardianship services		1,000,000		1,000,000
Adds funding for senior meals		900,000		900,000
Children and Family Services Program				
Adds funding for grants to a county social service board that is not on a reservation but is experiencing an increase in caseload from Spirit Lake for a total of $300,000. The House added $150,000.		150,000		150,000
Mental Health and Substance Abuse Program				
Adds funding for additional services to be provided by Robinson Recovery Center		150,000		150,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
Adds funding for grants to existing facilities that provide leisure, recreational, and educational programs for individuals with intellectual or developmental disabilities		150,000		150,000
Adds funding for guardianship services for developmentally disabled individuals		100,000		100,000
Vocational Rehabilitation				
Adds funding for the older blind program for a total of $100,000. The House added $50,000		50,000		50,000
Total Senate changes - Program and Policy	0.00	$19,207,668	$14,577,165	$33,784,833

A section is added relating to background checks for foster care providers.

A section added by the House relating to personal needs allowance adjustments is removed.

A section of legislative intent is added allowing the department to hire a deputy director.

House Bill No. 1012 - DHS - State Hospital - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
State Hospital	$73,489,636	$73,064,636	($73,064,636)	
	$73,489,636	$73,064,636	($73,064,636)	$0
Total all funds				
Less estimated income	19,254,163	19,254,163	(19,254,163)	0
	$54,235,473	$53,810,473	($53,810,473)	$0
General fund				
FTE	457.45	457.45	(457.45)	0.00

House Bill No. 1012 - DHS - Developmental Center - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Developmental Center	$53,050,470	$52,760,470	($52,760,470)	
Total all funds	$53,050,470	$52,760,470	($52,760,470)	$0
Less estimated income	28,064,218	28,064,218	(28,064,218)	0
General fund	$24,986,252	$24,696,252	($24,696,252)	$0
FTE	392.55	392.55	(392.55)	0.00

House Bill No. 1012 - DHS - Statewide HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Statewide human service centers	$6,069,755	$5,069,755	($5,069,755)	
Total all funds	$6,069,755	$5,069,755	($5,069,755)	$0
Less estimated income	1,075,139	675,139	(675,139)	0
General fund	$4,994,616	$4,394,616	($4,394,616)	$0
FTE	13.00	13.00	(13.00)	0.00

House Bill No. 1012 - DHS - Northwest HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northwest Human Service Center	$8,958,191	$8,918,191	($8,918,191)	
Total all funds	$8,958,191	$8,918,191	($8,918,191)	$0
Less estimated income	3,564,800	3,564,800	(3,564,800)	0
General fund	$5,393,391	$5,353,391	($5,353,391)	$0
FTE	43.75	43.75	(43.75)	0.00

House Bill No. 1012 - DHS - North Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
North Central Human Service Center	$21,989,171	$21,949,171	($21,949,171)	
Total all funds	$21,989,171	$21,949,171	($21,949,171)	$0
Less estimated income	9,185,305	9,185,305	(9,185,305)	0
General fund	$12,803,866	$12,763,866	($12,763,866)	$0
FTE	120.78	120.78	(120.78)	0.00

House Bill No. 1012 - DHS - Lake Region HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Lake Region Human Service	$12,736,133	$12,696,133	($12,696,133)	

Center				
Total all funds	$12,736,133	$12,696,133	($12,696,133)	$0
Less estimated income	5,162,347	5,162,347	(5,162,347)	0
General fund	$7,573,786	$7,533,786	($7,533,786)	$0
FTE	61.00	61.00	(61.00)	0.00

House Bill No. 1012 - DHS - Northeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Northeast Human Service Center	$27,882,775	$27,842,775	($27,842,775)	
	$27,882,775	$27,842,775	($27,842,775)	$0
Total all funds				
Less estimated income	14,138,342	14,138,342	(14,138,342)	0
	$13,744,433	$13,704,433	($13,704,433)	$0
General fund				
FTE	138.50	138.50	(185.15)	(46.65)

House Bill No. 1012 - DHS - Southeast HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Southeast Human Service Center	$39,030,472	$37,690,472	($37,690,472)	
	$39,030,472	$37,690,472	($37,690,472)	$0
Total all funds				
Less estimated income	15,682,226	15,357,226	(15,357,226)	0
	$23,348,246	$22,333,246	($22,333,246)	$0
General fund				
FTE	185.15	185.15	(185.15)	0.00

House Bill No. 1012 - DHS - South Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
South Central Human Service Center	$16,793,883	$16,753,883	($16,753,883)	
Total all funds	$16,793,883	$16,753,883	($16,753,883)	$0
Less estimated income	7,813,290	7,813,290	(7,813,290)	0
General fund	$8,980,593	$8,940,593	($8,940,593)	$0
FTE	83.50	83.50	(83.50)	0.00

House Bill No. 1012 - DHS - West Central HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
West Central Human Service Center	$29,826,746	$29,462,590	($29,462,590)	
Total all funds	$29,826,746	$29,462,590	($29,462,590)	$0

Less estimated income	13,268,982	13,268,982	(13,268,982)	0
General fund	$16,557,764	$16,193,608	($16,193,608)	$0
FTE	136.10	136.10	(136.10)	0.00

House Bill No. 1012 - DHS - Badlands HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Badlands Human Service Center	$12,345,718	$12,305,718	($12,305,718)	
	$12,345,718	$12,305,718	($12,305,718)	$0
Total all funds				
Less estimated income	5,319,048	5,319,048	(5,319,048)	0
	$7,026,670	$6,986,670	($6,986,670)	$0
General fund				
FTE	74.70	74.70	(74.70)	0.00

House Bill No. 1012 - DHS - Field Services - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Human service centers			$174,228,688	$174,228,688
Institutions			125,900,106	125,900,106
	$0	$0	$300,128,794	$300,128,794
Total all funds				
Less estimated income	0	0	122,127,860	122,127,860
	$0	$0	$178,000,934	$178,000,934
General fund				
FTE	0.00	0.00	1706.48	1706.48

Department No. 349 - DHS - Field Services - Detail of Senate Changes

	Creates Field Services Subdivision[1]	Senate Changes[2]	Total Senate Changes
Human service centers	$172,688,688	$1,540,000	$174,228,688
Institutions	125,825,106	75,000	125,900,106
Total all funds	$298,513,794	$1,615,000	$300,128,794
Less estimated income	121,802,860	325,000	122,127,860
General fund	$176,710,934	$1,290,000	$178,000,934
FTE	1706.48	0.00	1706.48

[1] The human service centers and institutions subdivision which provided separate line items for each institution and human service center is changed to the field services subdivision. The State Hospital and the Developmental Center line items are combined into the institutions line item and all of the human service centers are combined into one human service centers line item.

	FTE	General Fund	Estimated Income	Total
Field Services Subdivision				
[2]Field Services - Proposed Senate changes:				
State Hospital				

Restores funding removed by the House for water temperature controls for shower rooms in LaHaug building		$75,000		$75,000
Southeast Human Service Center				
Restores funding removed by the House for a 16-unit transitional living facility		$975,000	$325,000	$1,300,000
South Central Human Service Center				
Adds funding for transitional employment grants		$240,000		$240,000
Total Senate changes - Field Services Subdivision	0.00	$1,290,000	$325,000	$1,615,000

Description	FTE	General Fund	Federal Funds	Other Funds	Total
		House Amendments			
Administration - Support:					
Corrects executive compensation package		223,028	100,201		323,229
Reduce state employee compensation and benefits package		(8,990,339)	(4,062,638)		(13,052,977)
Remove OAR #4 - Oil Patch Add-On for Staff of Williston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)
Remove Deputy Director (Section 16 - Intent Language Added by Senate)	(1.0)	(248,357)	(62,206)	-	(310,563)
Reduce Central Office Operating Budget		(750,000)	-	-	(750,000)
Total Administration - Support	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)
Information Technology Services:					
Remove OAR #26 - Electronic Health Records System Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)
Medial Services:					
Remove Professional Medical Expert Reviews		(42,000)	(42,000)	-	(84,000)
Remove Program Integrity Services		(158,000)	(158,000)	-	(316,000)
Remove Provider Screening Contract		(120,000)	(120,000)	-	(240,000)
Remove Qualified Service Provider Mileage Differential Oversight		(78,040)	(21,960)	-	(100,000)
Increase Medicare Clawback Payment		248,265	-	-	248,265
Remove Section 3 - Medicaid Expansion					
Reduce OAR #2 - Affordable Care Act - Previously Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)
Reduce Medical Services Grants		(909,500)	(1,299,500)	-	(2,209,000)
Total Medical Services		(3,327,564)	(3,909,769)	-	(7,237,333)
Long Term Care:					
Reduce Long Term Care Grants		(4,145,000)	(4,000,000)	-	(8,145,000)
Remove Personal Needs Allowance Increase for Basic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)
Add Section 9 - CPI on Personal Needs Allowances Effective January 1, 2016					
Funding Switch for Nursing Home Bed Layaway (General Fund to Health Care Trust Fund)		(546,786)	-	546,786	-
Add Section 10 - Buy down Assisted Living Facility loans (Health Care Trust Fund)		-	-	425,000	425,000
Reduce Developmental Disability Grants		(1,150,000)	(1,150,000)	-	(2,300,000)
Add Section 12 - Provide a grant for Adaptive Skiing Program (Annie's House)		200,000	-	-	200,000
Add Section 8 - Review ICF/ID construction and remodeling projects					
Total Long Term Care		(5,920,636)	(5,235,155)	971,786	(10,184,005)
Aging Services:					
Remove Guardianship funding		(1,000,000)	-	-	(1,000,000)
Children and Family Services:					
Remove OAR #32 - Post Adoption Services		(133,520)	(71,896)	-	(205,416)
Add Section 11 - Funding for Ramsey County		150,000	-	-	150,000
Total Children and Family Services		16,480	(71,896)	-	(55,416)
Mental Health and Substance Abuse:					
Remove OAR #33 - Peer Support		(300,000)	-	-	(300,000)
Reduce funding for Governor's Prevention Advisory Council Grants		(100,000)	-	-	(100,000)
Total Mental Health and Substance Abuse		(400,000)	-	-	(400,000)
Vocational Rehabilitation:					
Add funding for Older Blind program		50,000	-	-	50,000
Field Services					
Human Service Centers (HSC):					
Reduce HSCs Operating Budget		(600,000)	(400,000)	-	(1,000,000)
Remove Transition to Independence Program (TIP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)
Remove OAR #13 - 16 Unit Transitional Living Facility - SEHSC		(975,000)	(325,000)	-	(1,300,000)
Remove OAR #18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)
Total Human Service Centers		(2,219,156)	(725,000)	-	(2,944,156)
Institutions:					
Reduce State Hospital Operating Budget		(350,000)	-	-	(350,000)
Remove State Hospital Repair for water temperature controls for LaHaug Building		(75,000)	-	-	(75,000)
Reduce Developmental Center Operating Budget		(150,000)	-	-	(150,000)
Add Section 14 - Reduce OARs #35 & 36 for the demolition of 2 buildings		(140,000)	-	-	(140,000)
Add Section 13 - Legislative Study of the Developmental Center					
Total Institutions		(715,000)	-	-	(715,000)
Subtotal of Amendments	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)
Other Senate Amendments not Included in Executive Budget					
Increase Wages from $0.50 to $1 for Nursing Fac., Basic Care, DD & QSP Providers					
Adds Additional Funding for Senior Meal Program					
Adds Funding for Additional Services to be Provided by Robinson Recovery Center					
Addition for Existing Facilities who Provide Leisure, Recreational & Educational Programs					
Adds Funding for DD Corporate Guardianship Services					
Adds Funding for Transitional Employment Grants - South Central Human Service Center					
Total Other Senate Amendments not Included in Executive Budget					
Total Senate Amendments					

Pg 2

2

HB 1012
4-10-13
(Sen Mathern)

Prepared for Senator Mathern
HB 1012 (2013-2015 Biennium)

Yellow

n	House Amendments FTE	General Fund	Federal Funds	Other Funds	Total	Proposed Senate Amendments FTE	General Fund	Federal Funds	Other Funds	Total	Remaining Changes From the Executive Budget FTE	General Fund	Federal Funds	Other Funds	Total
		223,028	100,201		323,229		-	-	-	-		223,028	100,201	-	323,229
package		(8,990,339)	(4,062,638)		(13,052,977)		8,990,339	4,062,638	-	13,052,977		-	-	-	-
liston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)		-	-	-	-		(3,253,008)	(514,992)	-	(3,768,000)
ıage Added by Senate)	(1.0)	(248,357)	(62,206)	-	(310,563)		-	-	-	-	(1.0)	(248,357)	(62,206)	-	(310,563)
		(750,000)	-	-	(750,000)		250,000	-	-	250,000		(500,000)	-	-	(500,000)
	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)	-	9,240,339	4,062,638	-	13,302,977	(1.0)	(3,778,337)	(476,997)	-	(4,255,334)
ɜm Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)					-		(5,000,000)	-	-	(5,000,000)
		(42,000)	(42,000)	-	(84,000)		42,000	42,000	-	84,000		-	-	-	-
		(158,000)	(158,000)	-	(316,000)		-	-	-	-		(158,000)	(158,000)	-	(316,000)
		(120,000)	(120,000)	-	(240,000)		-	-	-	-		(120,000)	(120,000)	-	(240,000)
ıtial Oversight		(78,040)	(21,960)	-	(100,000)		78,040	21,960	-	100,000		-	-	-	-
		248,265	-	-	248,265		-	-	-	-		248,265	-	-	248,265
							-	-	-			-	-	-	
Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)		-	-	-	-		(2,268,289)	(2,268,309)	-	(4,536,598)
		(909,500)	(1,299,500)	-	(2,209,000)		352,500	547,500	-	900,000		(557,000)	(752,000)	-	(1,309,000)
		(3,327,564)	(3,909,769)	-	(7,237,333)		472,540	611,460	-	1,084,000		(2,855,024)	(3,298,309)	-	(6,153,333)
		(4,145,000)	(4,000,000)	-	(8,145,000)		1,122,500	977,500	-	2,100,000		(3,022,500)	(3,022,500)	-	(6,045,000)
sic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)		278,850	85,155	-	364,005		-	-	-	-
Effective January 1, 2016							-	-	-	-		-	-	-	-
eneral Fund to Health Care Trust Fund)		(546,786)	-	546,786	-		-	-	-	-		(546,786)	-	546,786	-
loans (Health Care Trust Fund)		-	-	425,000	425,000		-	-	-	-		-	-	425,000	425,000
		(1,150,000)	(1,150,000)	-	(2,300,000)		175,000	175,000	-	350,000		(975,000)	(975,000)	-	(1,950,000)
ıg Program (Annie's House)		200,000	-	-	200,000		(200,000)	-	-	(200,000)		-	-	-	-
modeling projects												-	-	-	-
		(5,920,636)	(5,235,155)	971,786	(10,184,005)		1,376,350	1,237,655	-	2,614,005		(4,544,286)	(3,997,500)	971,786	(7,570,000)
		(1,000,000)	-	-	(1,000,000)		1,000,000			1,000,000		-	-	-	-
		(133,520)	(71,896)	-	(205,416)		-	-	-	-		(133,520)	(71,896)	-	(205,416)
		150,000	-	-	150,000		150,000	-	-	150,000		300,000	-	-	300,000
		16,480	(71,896)	-	(55,416)		150,000	-	-	150,000		166,480	(71,896)	-	94,584
		(300,000)	-	-	(300,000)		-	-	-	-		(300,000)	-	-	(300,000)
ı Council Grants		(100,000)	-	-	(100,000)		-	-	-	-		(100,000)	-	-	(100,000)
		(400,000)	-	-	(400,000)		-	-	-	-		(400,000)	-	-	(400,000)
		50,000	-	-	50,000		50,000	-	-	50,000		100,000	-	-	100,000
		(600,000)	(400,000)	-	(1,000,000)		-	-	-	-		(600,000)	(400,000)	-	(1,000,000)
IP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)		-	-	-	-		(320,000)	-	-	(320,000)
acility - SEHSC		(975,000)	(325,000)	-	(1,300,000)		975,000	325,000	-	1,300,000		-	-	-	-
:al Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)		-	-	-	-		(324,156)	-	-	(324,156)
		(2,219,156)	(725,000)	-	(2,944,156)		975,000	325,000	-	1,300,000		(1,244,156)	(400,000)	-	(1,644,156)
		(350,000)	-	-	(350,000)		-	-	-	-		(350,000)	-	-	(350,000)
ature controls for LaHaug Building		(75,000)	-	-	(75,000)		75,000	-	-	75,000		-	-	-	-
t		(150,000)	-	-	(150,000)		-	-	-	-		(150,000)	-	-	(150,000)
ɜ demolition of 2 buildings		(140,000)	-	-	(140,000)		-	-	-	-		(140,000)	-	-	(140,000)
ɔpmental Center												-	-	-	
		(715,000)	-	-	(715,000)		75,000	-	-	75,000		(640,000)	-	-	(640,000)
	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)	-	13,339,229	6,236,753	-	19,575,982	(1.0)	(18,195,323)	(8,244,702)	971,786	(25,468,239)
Executive Budget															
, Basic Care, DD & QSP Providers							14,858,778	12,728,050	-	27,586,828					
							900,000	-	-	900,000					
ɜd by Robinson Recovery Center							150,000	-	-	150,000					
, Recreational & Educational Programs							150,000	-	-	150,000					
ɜices							100,000	-	-	100,000					
- South Central Human Service Center							240,000	-	-	240,000					
ded in Executive Budget							16,398,778	12,728,050	-	29,126,828					
							29,738,007	18,964,803	-	48,702,810					

ıate Amendments dhs 0413

Prepared by the Legislative Council staff for
Senator Mathern
9-Apr-13

#3
4-10-13
HB 1012
(mathern

2013-15 BIENNIUM DEPARTMENT OF HUMAN SERVICES BUDGET - SUMMARY OF PROPOSED HOUSE CHANGES

	FTE	General Fund	Estimated Income	Total
House Version				
Management	147.10	$44,570,076	$56,933,812	$101,503,888
Program and Policy	342.50	924,053,965	1,421,403,389	2,345,457,354
State Hospital	457.45	53,810,473	19,254,163	73,064,636
Developmental Center	392.55	24,696,252	28,064,218	52,760,470
Statewide Human Service Center	13.00	4,394,616	675,139	5,069,755
Northwest Human Service Center	43.75	5,353,391	3,564,800	8,918,191
North Central Human Service Center	120.78	12,763,866	9,185,305	21,949,171
Lake Region Human Service Center	61.00	7,533,786	5,162,347	12,696,133
Northeast Human Service Center	138.50	13,704,433	14,138,342	27,842,775
Southeast Human Service Center	185.15	22,333,246	15,357,226	37,690,472
South Central Human Service Center	83.50	8,940,593	7,813,290	16,753,883
West Central Human Service Center	136.10	16,193,608	13,268,982	29,462,590
Badlands Human Service Center	74.70	6,986,670	5,319,048	12,305,718
Total executive budget recommendation	2,196.08	$1,145,334,975	$1,600,140,061	$2,745,475,036
Senate changes				
Management	0.00	$3,000,000	$0	$3,000,000
Program/Policy Management	0.00	2,110,000	2,005,000	4,115,000
State Hospital	0.00	0	0	0
Developmental Center	0.00	290,000	0	290,000
Statewide Human Service Center	0.00	600,000	400,000	1,000,000
Northwest Human Service Center	0.00	0	0	0
North Central Human Service Center	0.00	0	0	0
Lake Region Human Service Center	0.00	0	0	0
Northeast Human Service Center	0.00	0	0	0
Southeast Human Service Center	0.00	0	0	0
South Central Human Service Center	0.00	0	0	0
West Central Human Service Center	0.00	0	0	0
Badlands Human Service Center	0.00	0	0	0
Total Senate changes	0.00	$6,000,000	$2,405,000	$8,405,000
Senate version				
Management	147.10	$47,570,076	$56,933,812	$104,503,888
Program/Policy Management	342.50	926,163,965	1,423,408,389	2,349,572,354
State Hospital	457.45	53,810,473	19,254,163	73,064,636
Developmental Center	392.55	24,986,252	28,064,218	53,050,470
Statewide Human Service Center	13.00	4,994,616	1,075,139	6,069,755
Northwest Human Service Center	43.75	5,353,391	3,564,800	8,918,191
North Central Human Service Center	120.78	12,763,866	9,185,305	21,949,171
Lake Region Human Service Center	61.00	7,533,786	5,162,347	12,696,133
Northeast Human Service Center	138.50	13,704,433	14,138,342	27,842,775
Southeast Human Service Center	185.15	22,333,246	15,357,226	37,690,472
South Central Human Service Center	83.50	8,940,593	7,813,290	16,753,883
West Central Human Service Center	136.10	16,193,608	13,268,982	29,462,590
Badlands Human Service Center	74.70	6,986,670	5,319,048	12,305,718
Total Senate version	2,196.08	$1,151,334,975	$1,602,545,061	$2,753,880,036
Base Level Funding Totals		$927,229,214	$1,670,969,526	$2,598,198,740
Adjustments or Enhancements Funding Totals		$224,105,761	($68,424,465)	$155,681,296

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
House version - Management Subdivision	147.10	$44,570,076	$56,933,812	$101,503,888
Management - Proposed Senate changes:				
Administration - Support				
Restores funding for operating		500,000		$500,000
Information Technology Services				
Restores a portion of the funding removed by the House for the electronic health records system replacement		2,500,000		$2,500,000
Total Senate changes - Management	0.00	$3,000,000	$0	$3,000,000
Senate version - Management Subdivision	147.10	$47,570,076	$56,933,812	$104,503,888
Base Level Funding Totals		$31,175,824	$46,573,712	$77,749,536
Adjustments or Enhancements Funding Totals		$16,394,252	$10,360,100	$26,754,352

Other changes affecting Management programs or multiple programs of the department:

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
House version - Program and policy subdivision	342.50	$924,053,965	$1,421,403,389	$2,345,457,354
Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Restores funding removed by the House for integrity services		158,000	158,000	316,000
Restores funding removed by the House for a contract with a vendor to conduct prescreening of potential providers		120,000	120,000	240,000
Restores caseload projections reduced by the House for the following: CHIP - $650,000 Premium - $315,000 Durable medical equipment -$30,000 Private duty nurses - $64,000 Transportation - $250,000		557,000	752,000	1,309,000
Long Term Care Program				
Restores developmental disabilities caseload projections reduced by the House		975,000	975,000	1,950,000
Aging Services Program				
No changes				
Children and Family Services Program				
No changes				
Mental Health and Substance Abuse Program				
Restores funding removed by the House for peer support from all regions		300,000		300,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
No changes				
Total Senate changes - Program and Policy	0.00	$2,110,000	$2,005,000	$4,115,000
Senate version - Program and policy subdivision	342.50	$926,163,965	$1,423,408,389	$2,349,572,354
Base level funding totals		$736,572,406	$1,497,456,325	$2,234,028,731
Adjustments or enhancements funding totals		$189,591,559	($74,047,936)	$115,543,623

Other changes affecting Program and Policy programs:

DEVELOPMENTAL CENTER	FTE	General Fund	Estimated Income	Total
House version - Developmental Center	392.55	$24,696,252	$28,064,218	$52,760,470

	FTE	General Fund	Estimated Income	Total
Developmental Center - Proposed Senate changes:				
Restores funding removed by the Hosue for demolition of buildings		140,000		140,000
Restores funding removed by the House for operating expenses		150,000		150,000
Total Senate changes - Developmental Center	0.00	$290,000	$0	$290,000
Senate version - Developmental Center	392.55	$24,986,252	$28,064,218	$53,050,470
Base level funding totals		$20,417,430	$31,391,817	$51,809,247
Adjustments or enhancements funding totals		$4,568,822	($3,327,599)	$1,241,223

Other changes affecting the Developmental Center:
None

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
House version - Statewide Human Service Center	13.00	$4,394,616	$675,139	$5,069,755
Statewide Human Service Center - Proposed Senate changes:				
Restores funding removed by the House for operating at all human service centers		$600,000	$400,000	$1,000,000
Total Senate changes - Statewide Human Service Center	0.00	$600,000	$400,000	$1,000,000
Senate version - Statewide Human Service Center	13.00	$4,994,616	$1,075,139	$6,069,755
Base level funding totals		$4,653,031	$1,349,834	$6,002,865
Adjustments or enhancements funding totals		$341,585	($274,695)	$66,890

1012 Tim Mathern 4-10, 10AM

#4

Central Offic[illegible]erating

This reduct[illegible] ALL Central Office Divisions.

The $500,00[illegible]ction equates to approximately $1.1 million when the federal matching funds are [illegible]dered.

57% of the Operating Budget is for FIXED COSTS for items such as rent, postage, legal fees, ITS data processing and contractual services, Risk Management & property ins. premiums.

40% of the Operating Budget is for PROGRAM SERVICES for items such as mental health extended services, sex offender treatment, special needs adoption, meth treatment programs and Children's Health Insurance Outreach. PROGRAM SERVICES would need to be reduced.

Electronic Health Records System

The Field Services Electronic Health Record Information System Replacement project will implement an electronic health record information system that is focused on behavioral health to support the services offered by the Department's Field Services Division. The replacement software will support both outpatient and psychiatric inpatient business functions and service delivery needs. It will support the State Hospital's continued Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation by modernizing the IT system architecture and outdated technology, which limits the ability to incorporate changing federal requirements.

SITAC Ranking #3 2.5 million

Provider Screening and Enrollment

The Affordable Care Act requires states to enhance Medicaid provider screening and enrollment efforts as a "front line" to program integrity efforts.

This contact would assist the Department in complying with these requirements.

The Department had issued an RFP for this work and is holding the award of the contract, pending the outcome of the budget amendments.

~~150,000~~ 120,00

Program Integrity Services

The Department had a Performance Audit in 2010, which identified a number of areas that needed to be addressed in the area of Medicaid program integrity.

The Department has been increasing the number of provider audits, enhancing data analysis, and expanding collaboration with OIG, States Attorneys and the US Attorney.

This contract would allow the Department to manage and track audit information, automate letters to providers, monitor recoveries, and provide reports to CMS and the State Auditors.

In its corrective action plan for the recent agency audit completed by the State Auditor's office, the Department indicated that it was planning to procure a system to help manage the program integrity services. 158,000

Medicaid Grants

The Medicaid Grants expenditures are paid to Medical Providers.

The remaining reductions are for caseload reductions for the following services - Healthy Steps (Children's Health Insurance Program)Premiums, Insurance Premiums paid to CMS for eligible individuals, and Durable Medical Equipment (items such as oxygen tanks, wheelchairs and etc.)

557,000

Developmental Disability Grants

Grant expenditures are paid to Developmental Disability Providers for services provided in and ICF/ID, and in community settings.

The remaining reductions are for caseload reductions in Adult ICF/ID and community settings.

975,000

Peer Support

These consumer centered services have a rehabilitation and recovery focus and are designed to promote skills for coping with and managing symptoms while facilitating the use of natural resources and the enhancement of community living skills. Support services are provided by a person who has progressed in his or her own mental health or substance recovery and is working to assist other people with those issues. Because of their life experience, peers have expertise that professional training cannot replicate.

300,000

HSC Operating

Inpatient hospitalization contracts would need to be reduced by approximately 25%.

These reductions in the inpatient hospital contracts would increase admissions to the ND State Hospital and would impede the ability to provide mobile crisis team services in the Southeast region.

600,000

Developmental Center Operating

This equates to a $300,000 operating reduction when federal matching funds are considered.

This reduction would require a delay in scheduled repairs, reduce client's budget to travel home for visits and outings, reduce food and clothing budgets and medical expenditures.

150,000

Demolition of 2 Buildings

The Department received estimates to demolish buildings

Estimates included the cost of demolition, asbestos removal and additional costs for the transportation of materials to an approved asbestos dumping site.

140,000

13.8141.02017
Title.
Fiscal No. 10

Prepared by the Legislative Council staff for
Senator Mathern
April 10, 2013

#5
Failed
4-10-13
HB 1012

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 5, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 17 through 22 with:

"Salaries and wages	$15,382,133	$18,911,770	$34,293,903
Operating expenses	62,229,003	7,968,982	70,197,985
Capital assets	138,400	(126,400)	12,000
Total all funds	$77,749,536	$26,754,352	$104,503,888
Less estimated income	46,573,712	10,360,100	56,933,812
Total general fund	$31,175,824	$16,394,252	$47,570,076"

Page 2, replace lines 3 through 9 with:

"Salaries and wages	$50,207,605	($1,365,487)	$48,842,118
Operating expenses	91,973,280	13,428,749	105,402,029
Grants	490,196,862	(36,322,732)	453,874,130
Grants - medical assistance	1,601,650,984	139,803,093	1,741,454,077
Total all funds	$2,234,028,731	$115,543,623	$2,349,572,354
Less estimated income	1,497,456,325	(74,047,936)	1,423,408,389
Total general fund	$736,572,406	$189,591,559	$926,163,965"

Page 2, replace line 14 with:

"Statewide human service centers	$6,002,865	$66,890	$6,069,755"

Page 2, replace lines 27 through 29 with:

"Total all funds	$286,420,473	$13,093,321	$299,513,794
Less estimated income	126,939,489	(4,736,629)	122,202,860
Total general fund	$159,480,984	$17,829,950	$177,310,934"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	$927,229,214	$224,105,761	$1,151,334,975
Grand total special funds	1,670,969,526	(68,424,465)	1,602,545,061
Grand total all funds	$2,598,198,740	$155,681,296	$2,753,880,036
Full-time equivalent positions	2,197.35	(1.27)	2,196.08"

Page 6, replace lines 24 through 30 with:

"SECTION 15. LEGISLATIVE MANAGEMENT STUDY OF THE NEED FOR A COMPREHENSIVE SYSTEM OF CARE FOR INDIVIDUALS WITH BRAIN INJURY. During the 2013-14 interim, the legislative management shall consider studying the need for a comprehensive system of care for individuals with brain injury, including services available to veterans who are returning from wars, the impact of the inclusion of all acquired brain injury on traumatic brain injury programs, the need for a statewide registry for brain injury, the need for increased awareness of the impact of brain injury, the need for screening for brain injury in the education system, the availability of community support systems, the availability of specialized substance abuse services, the examination of the long-term care needs, the availability of home and

community-based services, services available from independent living centers, the need for transitional supportive housing, and the suitability of the current level of care determination for brain injury. Consideration should be given to input from the department of human services traumatic brain injury advisory committee and stakeholders from the private and public sectors, including individuals with brain injury, families impacted by brain injury, educators, treatment providers, and service providers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
DHS - Management				
Total all funds	$124,062,199	$101,503,888	$3,000,000	$104,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$3,000,000	$47,570,076
DHS - Program/Policy				
Total all funds	$2,364,284,108	$2,345,457,354	$4,115,000	$2,349,572,354
Less estimated income	1,429,648,423	1,421,403,389	2,005,000	1,423,408,389
General fund	$934,635,685	$924,053,965	$2,110,000	$926,163,965
DHS - State Hospital				
Total all funds	$73,489,636	$73,064,636	$0	$73,064,636
Less estimated income	19,254,163	19,254,163	0	19,254,163
General fund	$54,235,473	$53,810,473	$0	$53,810,473
DHS - Developmental Center				
Total all funds	$53,050,470	$52,760,470	$290,000	$53,050,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$290,000	$24,986,252
DHS - Statewide HSC				
Total all funds	$6,069,755	$5,069,755	$1,000,000	$6,069,755
Less estimated income	1,075,139	675,139	400,000	1,075,139
General fund	$4,994,616	$4,394,616	$600,000	$4,994,616
DHS - Northwest HSC				
Total all funds	$8,958,191	$8,918,191	$0	$8,918,191
Less estimated income	3,564,800	3,564,800	0	3,564,800
General fund	$5,393,391	$5,353,391	$0	$5,353,391
DHS - North Central HSC				
Total all funds	$21,989,171	$21,949,171	$0	$21,949,171
Less estimated income	9,185,305	9,185,305	0	9,185,305
General fund	$12,803,866	$12,763,866	$0	$12,763,866
DHS - Lake Region HSC				
Total all funds	$12,736,133	$12,696,133	$0	$12,696,133
Less estimated income	5,162,347	5,162,347	0	5,162,347
General fund	$7,573,786	$7,533,786	$0	$7,533,786
DHS - Northeast HSC				
Total all funds	$27,882,775	$27,842,775	$0	$27,842,775
Less estimated income	14,138,342	14,138,342	0	14,138,342
General fund	$13,744,433	$13,704,433	$0	$13,704,433
DHS - Southeast HSC				
Total all funds	$39,030,472	$37,690,472	$0	$37,690,472
Less estimated income	15,682,226	15,357,226	0	15,357,226
General fund	$23,348,246	$22,333,246	$0	$22,333,246
DHS - South Central HSC				

Total all funds	$16,793,883	$16,753,883	$0	$16,753,883
Less estimated income	7,813,290	7,813,290	0	7,813,290
General fund	$8,980,593	$8,940,593	$0	$8,940,593
DHS - West Central HSC				
Total all funds	$29,826,746	$29,462,590	$0	$29,462,590
Less estimated income	13,268,982	13,268,982	0	13,268,982
General fund	$16,557,764	$16,193,608	$0	$16,193,608
DHS - Badlands HSC				
Total all funds	$12,345,718	$12,305,718	$0	$12,305,718
Less estimated income	5,319,048	5,319,048	0	5,319,048
General fund	$7,026,670	$6,986,670	$0	$6,986,670
Bill total				
Total all funds	$2,790,519,257	$2,745,475,036	$8,405,000	$2,753,880,036
Less estimated income	1,613,649,730	1,600,140,061	2,405,000	1,602,545,061
General fund	$1,176,869,527	$1,145,334,975	$6,000,000	$1,151,334,975

House Bill No. 1012 - DHS - Management - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$51,102,214	$34,293,903		$34,293,903
Operating expenses	72,743,825	67,197,985	3,000,000	70,197,985
Capital assets	216,160	12,000		12,000
Total all funds	$124,062,199	$101,503,888	$3,000,000	$104,503,888
Less estimated income	61,473,447	56,933,812	0	56,933,812
General fund	$62,588,752	$44,570,076	$3,000,000	$47,570,076
FTE	148.10	147.10	0.00	147.10

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Management - Proposed Senate changes:				
Administration - Support				
Restores funding for operating		500,000		$500,000
Information Technology Services				
Restores a portion of the funding removed by the House for the electronic health records system replacement		2,500,000		$2,500,000
Total Senate changes - Management	0.00	$3,000,000	$0	$3,000,000

A section is added relating to traumatic brain injury.

House Bill No. 1012 - DHS - Program/Policy - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Salaries and wages	$48,842,118	$48,842,118		$48,842,118
Operating expenses	106,543,180	104,546,029	856,000	105,402,029
Grants	453,774,130	453,874,130		453,874,130
Grants - Medical assistance	1,755,124,680	1,738,195,077	3,259,000	1,741,454,077
Total all funds	$2,364,284,108	$2,345,457,354	$4,115,000	$2,349,572,354
Less estimated income	1,429,648,423	1,421,403,389	2,005,000	1,423,408,389
General fund	$934,635,685	$924,053,965	$2,110,000	$926,163,965
FTE	342.50	342.50	0.00	342.50

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
[1]Program and Policy - Proposed Senate changes:				
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Restores funding removed by the House for integrity services		158,000	158,000	316,000
Restores funding removed by the House for a contract with a vendor to conduct prescreening of potential providers		120,000	120,000	240,000
Restores caseload projections reduced by the House for the following: CHIP - $650,000 Premium - $315,000 Durable medical equipment - $30,000 Private duty nurses - $64,000 Transportation - $250,000		557,000	752,000	1,309,000
Long-Term Care Program				
Restores developmental disabilities caseload projections reduced by the House		975,000	975,000	1,950,000
Aging Services Program				
No changes				
Children and Family Services Program				
No changes				
Mental Health and Substance Abuse Program				
Restores funding removed by the House for peer support from all regions		300,000		300,000
Developmental Disabilities Council				
No changes				
Developmental Disabilities Division				
No changes				
Vocational Rehabilitation				
No changes				
Total Senate changes - Program and Policy	0.00	$2,110,000	$2,005,000	$4,115,000

House Bill No. 1012 - DHS - Developmental Center - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Developmental Center	$53,050,470	$52,760,470	$290,000	$53,050,470
Total all funds	$53,050,470	$52,760,470	$290,000	$53,050,470
Less estimated income	28,064,218	28,064,218	0	28,064,218
General fund	$24,986,252	$24,696,252	$290,000	$24,986,252
FTE	392.55	392.55	0.00	392.55

DEVELOPMENTAL CENTER	FTE	General Fund	Estimated Income	Total
[1]Developmental Center - Proposed Senate changes:				
Restores funding removed by the House for demolition of buildings		140,000		140,000
Restores funding removed by the House for operating expenses		150,000		150,000

Total Senate changes - Developmental Center	0.00	$290,000	$0	$290,000

House Bill No. 1012 - DHS - Statewide HSC - Senate Action

	Executive Budget	House Version	Senate Changes[1]	Senate Version
Statewide human service centers	$6,069,755	$5,069,755	$1,000,000	$6,069,755
Total all funds	$6,069,755	$5,069,755	$1,000,000	$6,069,755
Less estimated income	1,075,139	675,139	400,000	1,075,139
General fund	$4,994,616	$4,394,616	$600,000	$4,994,616
FTE	13.00	13.00	0.00	13.00

STATEWIDE HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
[1]Statewide human service center - Proposed Senate changes:				
Restores funding removed by the House for operating at all human service centers		$600,000	$400,000	$1,000,000
Total Senate changes - Statewide human service center	0.00	$600,000	$400,000	$1,000,000
Senate version - Statewide human service center	13.00	$4,994,616	$1,075,139	$6,069,755

13.8141.02015
Title.

Prepared by the Legislative Council staff for
Senator J. Lee
April 8, 2013

passed
#6
4-10-13
HB 1012

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 5, replace "and" with "to provide an appropriation to the department of commerce; to provide for a report to the legislative management; and"

Page 6, after line 23, insert:

"**SECTION 14. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, and from special funds, derived from private gifts and grants, the sum of $150,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of funding the activities of the health care consortium under section 15 of this Act, as part of the North Dakota 2020 and beyond initiative, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department of commerce may spend funding from the general fund only to the extent special funds from private gifts and grants are received on a dollar-for-dollar basis.

SECTION 15. HEALTH CARE CONSORTIUM - REPORT TO LEGISLATIVE MANAGEMENT AND GOVERNOR.

1. The governor shall appoint a consortium that includes a broad scope of private sector stakeholders, members of the senate and the house of representatives, and representation from the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council. The consortium shall receive and review information provided by the statewide vision and strategy partnership for a healthier North Dakota and the university of North Dakota school of medicine and health sciences advisory council, including the second annual report of the council. The consortium shall provide direct input to the legislative management interim committee that conducts the study provided for under House Bill No. 1034, as approved by the sixty-third legislative assembly. The consortium shall focus its efforts on addressing the immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining medicaid reform, and developing a plan for a private health care model that will comply with federal health care reform in a manner that will provide high quality, accessible, and affordable care for North Dakota citizens.

2. In developing the model health care system, the health care consortium shall:

   a. Consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations.

   b. Determine the scope of the weaknesses in the current health care system and the scope of the model health care system.

c. Take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of medicaid.

d. Work to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform.

3. The department of commerce shall contract with a consultant to assist the health care consortium in developing a model health care system as required under subsection 2.

4. The health care consortium shall report to the budget section of the legislative management on the status of funding available and anticipated uses of the funding for the consortium during the 2013-14 interim. Before June 1, 2014, the health care consortium shall report to the governor and to the legislative management on the status of the development of the model health care system as well as any recommendations."

Renumber accordingly

Sen Mathern passed.
HB 1012
UPDATED

Electronic Health Records

Because the electronic health records system is needed for the state hospital to maintain accreditation, if the Department can initiate the project within the 2013-2015 appropriation for the information technology division or field services division, the removal of the funding in the information technology division does not mean that the department of human services may not procure an electronic health records system.

#7
4-10-13
HB 1012
was sent
to
Becky

Handout 1, HB1010 04-14-13

Department of Human Services
Bills Passed by the Senate with a Fiscal Impact - Funding Requested in Senator J. Lee and Senator Mathern Amendments
2013-2015 Biennium
As of April 15, 2013

Bill Number	Description of Bill	Appropriation FTE	Appropriation General	Appropriation Other	Bills with No Appropriations Expenditures and FTE as Included in Fiscal Notes FTE	General	Other	Total	Status
1038	Provides an appropriation to DHS for autism-related programs	1.00	3,119,854	-	-	-	-	-	Passed House Senate Calendar DPA
1170	Provides nursing and basic care facilities with an expedited ratesetting process to cover costs associated with Patient Protection and ACA as it relates to health insurance policies to the facilities' employees	-	-	-	-	830,922	830,922	1,661,844	House: Damschen, Fehr, Oversen Senate:
1172	Allows nursing homes or basic care service providers the first preferred claim against a decedent's estate for outstanding recipient liability owed to the facility	-	-	-	-	49,810	50,190	100,000	Filed with Secretary of State
1176	Allows individuals convicted of a drug felony to be eligible to participate in SNAP and TANF programs if at least seven years has elapsed since their most recent conviction	-	-	-	-	11,136	489,168	500,304	Filed with Secretary of State
1209 *	Restricts DHS from limiting compensation for top management personnel of a basic care facility with some exceptions	-	-	-	-	217,741	-	217,741	Governor Vetoed
1233	Provides for additional state financial support for county social service programs provided at the direction of the state	-	-	-	-	20,542,038	(19,947,758)	594,280	Passed House On Senate Calendar with DP
1274	Requires ND Medicaid to accept electronic prior authorizations submitted by prescribers through their e-prescribing software	-	-	-	1.00	74,831	224,493	299,324	Filed with Secretary of State
1302	Provides for an underage drinking prevention program	-	360,000	-	-	-	-	-	House: Ruby, K. Koppelman, Delmore Senate: Oehlke, Armstrong, Axness
1362	Provides an appropriation to DHS any amount of federal funds relating to implementing the provisions for the expansion of the medical assistance program for the Patient Protection and ACA	-	-	-	3.00	248,789	157,742,548	157,991,337	To Governor
1422	Provides an appropriation to DHS for a child care stabilization initiative.		2,600,000	-	-	-	-	-	Passed House Senate Calendar DPA
2193	Provides an appropriation to DHS for autism-related programs	1.00	515,136	-	-	339,779	804,915	1,144,694	Passed Senate Passed House (Amended)
2205	Provides an appropriation to DHS for the purpose of providing a grant to an organization for administering statewide 2-1-1 services.	-	125,000	-	-	-	-	-	Sen: J. Lee, Dever, Axness House: Weisz, Kiefert, Oversen
2271	Provides for DHS to provide administrative services to the Committee of Employment of People with Disabilities	-	-	-	-	27,954	12,000	39,954	Filed with Secretary of State
2356	Provides an appropriation to DHS for the purpose of providing grants to children's advocacy centers.	-	300,000	-	-	-	-	-	To Governor
	Totals	2.00	7,019,990	-	4.00	22,343,000	140,206,478	162,549,478	
1360	Authorizes the Department to provide funding for the expansion of the Programs for All-Inclusive Care for the Elderly (PACE)	-	-	-	-	855,582	855,582	1,711,164	To Governor

* The amount shown is one-half of the amount contained in the fiscal note. The Bill is effective for rates beginning July 1, 2014. The fiscal note was based on the Bill impacting rates beginning July 1, 2013.

HB 1012
4/20/13
Attachment 1

Mathern, Tim

From: Andy Peterson <Andy@ndchamber.com>
Sent: Friday, April 19, 2013 9:41 PM
To: Mathern, Tim
Cc: Megan Houn
Subject: SB 2269 amended into 1012 Study

Senator Mathern - Megan told me you were looking for an explanation of SB 2269, now amended into HB 1012. Following is a background and description of the bill.

The bill originated as a result of the Chamber's major employer/CEO roundtable. We discussed the ACA, the 2011 Legislature's signal that they would not tolerate or accept anything to do with "Obamacare," and the general state of healthcare in our state. We are very aware that 33 or 34 hospitals are hemorrhaging money, and that the ACA is the law of the land for which the the business community needs to comply. These concerns have led us to ask what we could do to assure we continue to have low cost, high quality healthcare in our state. Healthcare is an important resource for our citizens, for jobs, and for business.

Moreover, we knew that if the legislature decided to become involved we might end up with a biased viewpoint and a well intended but misguided attempt to fix things while ignoring federal law. As such, the major employer group is proposing to use the interim to study rural and metro healthcare challenges, while at the same time concerning ourselves with payer and payee concerns. We want to do this without bias and feel that an independent study - aside from any influence of the legislature - would be best. The group is willing to help fund the study if the legislature is willing to put general fund dollars into it as well. This allows the private community and the state to have skin in game.

Goals include involving all sectors of healthcare, using the knowledge and resources of Healthy North Dakota, the accumulated knowledge of the SVS, and coming up with a set of goals that we might act upon starting at the 2015 session, and maybe even come up with an acceptable alternative to some of the mandates of the ACA in 2017. Simply stated we want North Dakota to have the best system, and the healthiest citizens, and the greatest choices for healthcare of all fifty states. We want to lead all other states by example.

A couple things to be aware of: the private sector will not act alone. If the state refuses to come to the table we will not participate. This will be costly - an effort like this is not free. This study is independent of one legislative management might undertake. It is different than the study of mental health.

I hope this helps. I'll try to be at the conference committee so feel free to ask me a question if you want testimony.

Thank you - Andy Peterson

Items in Executive Budget not funded by House. TM 4.20.13

Central Office Operating

This reduction is for ALL Central Office Divisions.
The $500,000 reduction equates to approximately $1.1 million when the federal matching funds are considered.
57% of the Operating Budget is for FIXED COSTS for items such as rent, postage, legal fees, ITS data processing and contractual services, Risk Management & property ins. premiums.
40% of the Operating Budget is for PROGRAM SERVICES for items such as mental health extended services, sex offender treatment, special needs adoption, meth treatment programs and Children's Health Insurance Outreach. PROGRAM SERVICES would need to be reduced.

Electronic Health Records System

The Field Services Electronic Health Record Information System Replacement project will implement an electronic health record information system that is focused on behavioral health to support the services offered by the Department's Field Services Division. The replacement software will support both outpatient and psychiatric inpatient business functions and service delivery needs. It will support the State Hospital's continued Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation by modernizing the IT system architecture and outdated technology, which limits the ability to incorporate changing federal requirements.
SITAC Ranking #3

Provider Screening and Enrollment

The Affordable Care Act requires states to enhance Medicaid provider screening and enrollment efforts as a "front line" to program integrity efforts.
This contact would assist the Department in complying with these requirements.
The Department had issued an RFP for this work and is holding the award of the contract, pending the outcome of the budget amendments.

Program Integrity Services

The Department had a Performance Audit in 2010, which identified a number of areas that needed to be addressed in the area of Medicaid program integrity.
The Department has been increasing the number of provider audits, enhancing data analysis, and expanding collaboration with OIG, States Attorneys and the US Attorney.
This contract would allow the Department to manage and track audit information, automate letters to providers, monitor recoveries, and provide reports to CMS and the State Auditors.
In its corrective action plan for the recent agency audit completed by the State Auditor's office, the Department indicated that it was planning to procure a system to help manage the program integrity services.

Medicaid Grants

The Medicaid Grants expenditures are paid to Medical Providers.
The remaining reductions are for caseload reductions for the following services - Healthy Steps (Children's Health Insurance Program)Premiums, Insurance Premiums paid to CMS for eligible individuals, and Durable Medical Equipment (items such as oxygen tanks, wheelchairs and etc.)

Developmental Disability Grants

Grant expenditures are paid to Developmental Disability Providers for services provided in and ICF/ID, and in community settings.
The remaining reductions are for caseload reductions in Adult ICF/ID and community settings.

Peer Support

These consumer centered services have a rehabilitation and recovery focus and are designed to promote skills for coping with and managing symptoms while facilitating the use of natural resources and the enhancement of community living skills. Support services are provided by a person who has progressed in his or her own mental health or substance recovery and is working to assist other people with those issues. Because of their life experience, peers have expertise that professional training cannot replicate.

HSC Operating

Inpatient hospitalization contracts would need to be reduced by approximately 25%.
These reductions in the inpatient hospital contracts would increase admissions to the ND State Hospital and would impede the ability to provide mobile crisis team services in the Southeast region.

Developmental Center Operating

This equates to a $300,000 operating reduction when federal matching funds are considered.
This reduction would require a delay in scheduled repairs, reduce client's budget to travel home for visits and outings, reduce food and clothing budgets and medical expenditures.

Demolition of 2 Buildings

The Department received estimates to demolish buildings
Estimates included the cost of demolition, asbestos removal and additional costs for the transportation of materials to an approved asbestos dumping site.

HB 1012
4/20/13
Attachment 2

HB 1012 4/2013 Attachment 3

Department of Human Services
HB 1012 (2013-2015 Biennium)

Description	House Amendments FTE	House Amendments General Fund	House Amendments Federal Funds	House Amendments Other Funds	House Amendments Total	Senate Amendments - April 17, 2013 FTE	Senate Amendments General Fund	Senate Amendments Federal Funds	Senate Amendments Other Funds	Senate Amendments Total	Remaining Changes From the Executive Budget FTE	Remaining Changes General Fund	Remaining Changes Federal Funds	Remaining Changes Other Funds	Remaining Changes Total
Support:															
compensation package		223,028	100,201		323,229		-	-	-	-		223,028	100,201	-	323,229
yee compensation and benefits package		(8,990,339)	(4,062,638)		(13,052,977)		8,990,339	4,062,638	-	13,052,977		-	-	-	-
Oil Patch Add-On for Staff of Williston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)		-	-	-	-		(3,253,008)	(514,992)	-	(3,768,000)
rector (Section 16 - Intent Language Added by Senate)	(1.0)	(248,357)	(62,206)	-	(310,563)		-	-	-	-	(1.0)	(248,357)	(62,206)	-	(310,563)
ice Operating Budget		(750,000)	-	-	(750,000)		750,000	700,000	-	1,450,000		-	700,000	-	700,000
tration - Support	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)	-	9,740,339	4,762,638	-	14,502,977	(1.0)	(3,278,337)	223,003	-	(3,055,334)
nology Services:															
- Electronic Health Records System Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)					-		(5,000,000)	-	-	(5,000,000)
al Medical Expert Reviews		(42,000)	(42,000)	-	(84,000)		42,000	42,000	-	84,000		-	-	-	-
ntegrity Services		(158,000)	(158,000)	-	(316,000)		-	-	-	-		(158,000)	(158,000)	-	(316,000)
creening Contract		(120,000)	(120,000)	-	(240,000)		-	-	-	-		(120,000)	(120,000)	-	(240,000)
Service Provider Mileage Differential Oversight		(78,040)	(21,960)	-	(100,000)		78,040	21,960	-	100,000		-	-	-	-
Clawback Payment		248,265	-	-	248,265		-	-	-	-		248,265	-	-	248,265
- Medicaid Expansion							-	-	-	-					
Affordable Care Act - Previously Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)		-	-	-	-		(2,268,289)	(2,268,309)	-	(4,536,598)
rvices Grants		(909,500)	(1,299,500)	-	(2,209,000)		352,500	547,500	-	900,000		(557,000)	(752,000)	-	(1,309,000)
Services		(3,327,564)	(3,909,769)	-	(7,237,333)		472,540	611,460	-	1,084,000		(2,855,024)	(3,298,309)	-	(6,153,333)
Care Grants		(4,145,000)	(4,000,000)	-	(8,145,000)		1,122,500	977,500	-	2,100,000		(3,022,500)	(3,022,500)	-	(6,045,000)
Needs Allowance increase for Basic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)		278,850	85,155	-	364,005		-	-	-	-
I on Personal Needs Allowances Effective January 1, 2016							-	-	-	-		-	-	-	-
Nursing Home Bed Layaway (General Fund to Health Care Trust Fund)		(546,786)	-	546,786	-		-	-	-	-		(546,786)	-	546,786	-
uy down Assisted Living Facility loans (Health Care Trust Fund)		-	-	425,000	425,000		-	-	-	-		-	-	425,000	425,000
ental Disability Grants		(1,150,000)	(1,150,000)	-	(2,300,000)		175,000	175,000	-	350,000		(975,000)	(975,000)	-	(1,950,000)
rovide a grant for Adaptive Skiing Program (Annie's House)		200,000	-	-	200,000		-	-	-	-		200,000	-	-	200,000
eview ICF/ID construction and remodeling projects										-		-	-	-	-
rm Care		(5,920,636)	(5,235,155)	971,786	(10,184,005)		1,576,350	1,237,655	-	2,814,005		(4,344,286)	(3,997,500)	971,786	(7,370,000)
ship funding		(1,000,000)	-	-	(1,000,000)		1,000,000			1,000,000		-	-	-	-
mily Services:															
- Post Adoption Services		(133,520)	(71,896)	-	(205,416)		-	-	-	-		(133,520)	(71,896)	-	(205,416)
Funding for Ramsey County		150,000	-	-	150,000		150,000	-	-	150,000		300,000	-	-	300,000
n and Family Services		16,480	(71,896)	-	(55,416)		150,000	-	-	150,000		166,480	(71,896)	-	94,584
nd Substance Abuse:															
- Peer Support		(300,000)	-	-	(300,000)		-	-	-	-		(300,000)	-	-	(300,000)
r Governor's Prevention Advisory Council Grants		(100,000)	-	-	(100,000)		-	-	-	-		(100,000)	-	-	(100,000)
Health and Substance Abuse		(400,000)	-	-	(400,000)		-	-	-	-		(400,000)	-	-	(400,000)
abilitation:															
ider Blind program		50,000	-	-	50,000		50,000	-	-	50,000		100,000	-	-	100,000
ice Centers (HSC):															
Operating Budget		(600,000)	(400,000)	-	(1,000,000)		600,000	400,000	-	1,000,000		-	-	-	-
sition to Independence Program (TIP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)		-	-	-	-		(320,000)	-	-	(320,000)
#13 - 16 Unit Transitional Living Facility - SEHSC		(975,000)	(325,000)	-	(1,300,000)		975,000	325,000	-	1,300,000		-	-	-	-
#18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)		-	-	-	-		(324,156)	-	-	(324,156)
Service Centers		(2,219,156)	(725,000)	-	(2,944,156)		1,575,000	725,000	-	2,300,000		(644,156)	-	-	(644,156)
Hospital Operating Budget		(350,000)	-	-	(350,000)		-	-	-	-		(350,000)	-	-	(350,000)
e Hospital Repair for water temperature controls for LaHaug Building		(75,000)	-	-	(75,000)		75,000	-	-	75,000		-	-	-	-
lopmental Center Operating Budget		(150,000)	-	-	(150,000)		-	-	-	-		(150,000)	-	-	(150,000)
L4 - Reduce OARs #35 & 36 for the demolition of 2 buildings		(140,000)	-	-	(140,000)		-	-	-	-		(140,000)	-	-	(140,000)
L3 - Legislative Study of the Developmental Center												-	-	-	
itions		(715,000)	-	-	(715,000)		75,000	-	-	75,000		(640,000)	-	-	(640,000)
Amendments	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)	-	14,639,229	7,336,753	-	21,975,982	(1.0)	(16,895,323)	(7,144,702)	971,786	(23,068,239)
mendments not Included in Executive Budget															
from $0.50 to $1 for Nursing Fac., Basic Care, DD & QSP Providers							14,858,778	12,728,050	-	27,586,828					
Funding for Senior Meal Program							900,000	-	-	900,000					
- Additional Services to be Provided by Robinson Recovery Center							296,000	-	-	296,000					
ing Facilities who Provide Leisure, Recreational & Educational Programs							300,000	-	-	300,000					
- DD Corporate Guardianship Services							100,000	-	-	100,000					
- Transitional Employment Grants - South Central Human Service Center							240,000	-	-	240,000					
ng Home and Basic Care Facilities Health Insurance							830,922	830,922		1,661,844					
ng Home and Basic Care Facilities First Preferred Claim							49,810	50,190		100,000					
le for TANF and SNAP 7 Years after Drug Felony							11,136	489,168		500,304					
onic Prior Authorizations						1.0	74,831	224,493		299,324					
aid Expansion						3.0	248,789	157,742,548	-	157,991,337					
nittee on Employment of People with Disabilities							27,594	12,000	-	39,594					
Senate Amendments not Included in Executive Budget						4.0	17,937,860	172,077,371	-	190,015,231					
e Amendments						4.0	32,577,089	179,414,124	-	211,991,213					

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HB 1012
4/20/13
Attachment 4

Department of Human Services
Summary of General Fund Changes
HB 1012
2013-2015

	General Fund			
	Executive Budget Changes	**House Changes**	**Senate Changes (Including Floor Amendments)**	**Total Changes**
	Expressed in Millions			
FMAP Change	$ 93.3			$ 93.3
Provider Increases	$ 55.8		$ 14.8	$ 70.6
4% Provider Inflationary Increase Each Year of the Biennium	$ 40.9			$ 40.9
$.50 per Hour Wage Pass Through for Nursing Homes, Basic Care and DD providers and $.50 per Hour Fee for QSPS	$ 14.9		$ 14.8	$ 29.7
Net "Cost" Changes for Programs such as Medical Assistance, Foster Care, and Adoption Grants and Indian County Allocation	$ 47.4	$ (0.3)	$ 0.3	$ 47.4
Increase in Governor's Salary & Benefit Package, Continuing Yr 2 Salary Increase & Oil Patch Add On	$ 30.1	$ (12.0)	$ 9.0	$ 27.1
Increases in ITD Technology Costs & Computer Projects	$ 8.0	$ (5.0)		$ 3.0
Increase to Address Capacity Issues at the Human Service Centers	$ 4.1	$ (1.3)	$ 1.0	$ 3.8
Increase in Medicare Part D Clawback Payment	$ 3.2	$ 0.2		$ 3.4
Fund Extraordinary Repairs and Capital Improvements	$ 2.8	$ (0.2)	$ 0.08	$ 2.68
Increase in Home & Community Based Care Services, Including a Mileage Differential for QSPs	$ 2.8		$ 0.9	$ 3.7
Other Capacity, Enhançements & Provider Requests	$ 2.3	$ (0.40)	$ 2.28	$ 4.18
Community Based Sex Offender High Risk Treatment Program	$ 0.3			$ 0.30
Post Adoption	$ 0.1	$ (0.10)		$ -
Peer Support	$ 0.3	$ (0.30)		$ -
Healthy Families	$ 0.3			$ 0.30
Statewide 2-1-1 Service	$ 0.2			$ 0.20
TBI Facilitators	$ 0.3			$ 0.30
Centers for Independent Living	$ 0.8			$ 0.80
Section 11 - Ramsey County		$ 0.15	$ 0.15	$ 0.30
Section 12 - Adaptive Skiing Program - Annie's House		$ 0.20		$ 0.20
Governors Prevention Advisory Council Grants		$ (0.10)		$ (0.10)
Transition to Independence Program (TIP)		$ (0.30)		$ (0.30)
Older Blind Program		$ 0.05	$ 0.05	$ 0.10
Additional Services Provided by Robinson Recovery Center			$ 0.30	$ 0.30
Existing Facilities who Provide Leisure, Rec. & Educational Programs			$ 0.30	$ 0.30
Transitional Employment Grants - South Central Human Service Center			$ 0.24	$ 0.24
HB 1170 - Nursing Home and Basic Care Facilities Health Insurance			$ 0.83	$ 0.83
HB 1172 - Nursing Home and Basic Care Facilities First Preferred Claim			$ 0.05	$ 0.05
HB 1176 - Eligible for TANF and SNAP 7 Years after Drug Felony			$ 0.01	$ 0.01
HB 1274 - Electronic Prior Authorizations			$ 0.07	$ 0.07
HB 1362 - Medicaid Expansion			$ 0.25	$ 0.25
SB 2271 - Committee on Employment of People with Disabilities			$ 0.03	$ 0.03
Continuation of Cost Based Reimbursement for Critical Access Hospitals (Lab & CRNA) & Rebasing of Rural Health Clinics to Medicare Rates	$ 1.3			$ 1.3
DD and Aging Guardianship Programs	$ 1.2	$ (1.0)	$ 1.1	$ 1.3
"Caseload / Utilization" for Programs such as Medical Assistance, Foster Care, and Adoption Grants	$ (3.8)	$ (9.0)	$ 1.65	$ (11.15)
Largest Changes in Executive Budget - $11.3 million increase in Developmental Disability Grants, offset by decrease in Traditional Medical Assistance Grants of $11.0 million and decrease in Nursing Home Grants of $6.2 million.				
Salary and Operating Reductions		$ (2.50)	$ 1.47	$ (1.03)
Removal of an FTE		$ (0.25)		$ (0.25)
Central Office Divisions Operating		$ (0.75)	$ 0.75	$ -
Specific Medicaid Contract Reductions		$ (0.40)	$ 0.12	$ (0.28)
Human Service Centers Operating		$ (0.60)	$ 0.60	$ -
State Hospital Operating		$ (0.35)		$ (0.35)
Developmental Center Operating		$ (0.15)		$ (0.15)
Decrease of One-Time Funding	$ (16.2)			$ (16.20)
Miscellaneous (1%)	$ 2.5			$ 2.5
Total General Fund Change	$ 234.8	$ (31.50)	$ 32.58	$ 235.88

Department of Human Services
HB 1012 (2013-2015 Biennium)

Description	House Amendments					Senate Amendments - April 17, 2013					Remaining Changes From the Executive Budget				
	FTE	General Fund	Federal Funds	Other Funds	Total	FTE	General Fund	Federal Funds	Other Funds	Total	FTE	General Fund	Federal Funds	Other Funds	Total
Administration - Support:															
Corrects executive compensation package		223,028	100,201		323,229		-	-	-	-		223,028	100,201	-	323,229
Reduce state employee compensation and benefits package		(8,990,339)	(4,062,638)		(13,052,977)		8,990,339	4,062,638	-	13,052,977		-	-	-	-
Remove OAR #4 - Oil Patch Add-On for Staff of Williston, Minot and Dickinson Regions		(3,253,008)	(514,992)	-	(3,768,000)		-	-	-	-		(3,253,008)	(514,992)	-	(3,768,000)
Remove Deputy Director (Section 16 - Intent Language Added by Senate)	(1.0)	(248,357)	(62,206)	-	(310,563)		-	-	-	-	(1.0)	(248,357)	(62,206)	-	(310,563)
Reduce Central Office Operating Budget		(750,000)	-	-	(750,000)		750,000	700,000	-	1,450,000		-	700,000	-	700,000
Total Administration - Support	(1.0)	(13,018,676)	(4,539,635)	-	(17,558,311)	-	9,740,339	4,762,638	-	14,502,977	(1.0)	(3,278,337)	223,003	-	(3,055,334)
Information Technology Services:															
Remove OAR #26 - Electronic Health Records System Replacement (SITAC #3)		(5,000,000)	-	-	(5,000,000)					-		(5,000,000)	-	-	(5,000,000)
Medial Services:															
Remove Professional Medical Expert Reviews		(42,000)	(42,000)	-	(84,000)		42,000	42,000	-	84,000		-	-	-	-
Remove Program Integrity Services		(158,000)	(158,000)	-	(316,000)		-	-	-	-		(158,000)	(158,000)	-	(316,000)
Remove Provider Screening Contract		(120,000)	(120,000)	-	(240,000)		-	-	-	-		(120,000)	(120,000)	-	(240,000)
Remove Qualified Service Provider Mileage Differential Oversight		(78,040)	(21,960)	-	(100,000)		78,040	21,960	-	100,000		-	-	-	-
Increase Medicare Clawback Payment		248,265	-	-	248,265		-	-	-	-		248,265	-	-	248,265
Remove Section 3 - Medicaid Expansion							-	-	-	-					
Reduce OAR #2 - Affordable Care Act - Previously Eligible "Woodwork Effect" by 50%		(2,268,289)	(2,268,309)	-	(4,536,598)		-	-	-	-		(2,268,289)	(2,268,309)	-	(4,536,598)
Reduce Medical Services Grants		(909,500)	(1,299,500)	-	(2,209,000)		352,500	547,500	-	900,000		(557,000)	(752,000)	-	(1,309,000)
Total Medical Services		(3,327,564)	(3,909,769)	-	(7,237,333)		472,540	611,460	-	1,084,000		(2,855,024)	(3,298,309)	-	(6,153,333)
Long Term Care:															
Reduce Long Term Care Grants		(4,145,000)	(4,000,000)	-	(8,145,000)		1,122,500	977,500	-	2,100,000		(3,022,500)	(3,022,500)	-	(6,045,000)
Remove Personal Needs Allowance increase for Basic Care and ICF/ID clients		(278,850)	(85,155)	-	(364,005)		278,850	85,155	-	364,005		-	-	-	-
Add Section 9 - CPI on Personal Needs Allowances Effective January 1, 2016							-	-	-	-		-	-	-	-
Funding Switch for Nursing Home Bed Layaway (General Fund to Health Care Trust Fund)		(546,786)	-	546,786	-		-	-	-	-		(546,786)	-	546,786	-
Add Section 10 - Buy down Assisted Living Facility loans (Health Care Trust Fund)		-	-	425,000	425,000		-	-	-	-		-	-	425,000	425,000
Reduce Developmental Disability Grants		(1,150,000)	(1,150,000)	-	(2,300,000)		175,000	175,000	-	350,000		(975,000)	(975,000)	-	(1,950,000)
Add Section 12 - Provide a grant for Adaptive Skiing Program (Annie's House)		200,000	-	-	200,000		-	-	-	-		200,000	-	-	200,000
Add Section 8 - Review ICF/ID construction and remodeling projects										-		-	-	-	-
Total Long Term Care		(5,920,636)	(5,235,155)	971,786	(10,184,005)		1,576,350	1,237,655	-	2,814,005		(4,344,286)	(3,997,500)	971,786	(7,370,000)
Aging Services:															
Remove Guardianship funding		(1,000,000)	-	-	(1,000,000)		1,000,000			1,000,000		-	-	-	-
Children and Family Services:															
Remove OAR #32 - Post Adoption Services		(133,520)	(71,896)	-	(205,416)		-	-	-	-		(133,520)	(71,896)	-	(205,416)
Add Section 11 - Funding for Ramsey County		150,000	-	-	150,000		150,000	-	-	150,000		300,000	-	-	300,000
Total Children and Family Services		16,480	(71,896)	-	(55,416)		150,000	-	-	150,000		166,480	(71,896)	-	94,584
Mental Health and Substance Abuse:															
Remove OAR #33 - Peer Support		(300,000)	-	-	(300,000)		-	-	-	-		(300,000)	-	-	(300,000)
Reduce funding for Governor's Prevention Advisory Council Grants		(100,000)	-	-	(100,000)		-	-	-	-		(100,000)	-	-	(100,000)
Total Mental Health and Substance Abuse		(400,000)	-	-	(400,000)		-	-	-	-		(400,000)	-	-	(400,000)
Vocational Rehabilitation:															
Add funding for Older Blind program		50,000	-	-	50,000		50,000	-	-	50,000		100,000	-	-	100,000
Field Services															
Human Service Centers (HSC):															
Reduce HSCs Operating Budget		(600,000)	(400,000)	-	(1,000,000)		600,000	400,000	-	1,000,000		-	-	-	-
Remove Transition to Independence Program (TIP) Funding - $40,000 at each HSC		(320,000)	-	-	(320,000)		-	-	-	-		(320,000)	-	-	(320,000)
Remove OAR #13 - 16 Unit Transitional Living Facility - SEHSC		(975,000)	(325,000)	-	(1,300,000)		975,000	325,000	-	1,300,000		-	-	-	-
Remove OAR #18 - 4 Bed Mental Illness/Chemical Dependency Crisis Residential - WCHSC		(324,156)	-	-	(324,156)		-	-	-	-		(324,156)	-	-	(324,156)
Total Human Service Centers		(2,219,156)	(725,000)	-	(2,944,156)		1,575,000	725,000	-	2,300,000		(644,156)	-	-	(644,156)
Institutions:															
Reduce State Hospital Operating Budget		(350,000)	-	-	(350,000)		-	-	-	-		(350,000)	-	-	(350,000)
Remove State Hospital Repair for water temperature controls for LaHaug Building		(75,000)	-	-	(75,000)		75,000	-	-	75,000		-	-	-	-
Reduce Developmental Center Operating Budget		(150,000)	-	-	(150,000)		-	-	-	-		(150,000)	-	-	(150,000)
Add Section 14 - Reduce OARs #35 & 36 for the demolition of 2 buildings		(140,000)	-	-	(140,000)		-	-	-	-		(140,000)	-	-	(140,000)
Add Section 13 - Legislative Study of the Developmental Center												-	-	-	
Total Institutions		(715,000)	-	-	(715,000)		75,000	-	-	75,000		(640,000)	-	-	(640,000)
Subtotal of Amendments	(1.0)	(31,534,552)	(14,481,455)	971,786	(45,044,221)	-	14,639,229	7,336,753	-	21,975,982	(1.0)	(16,895,323)	(7,144,702)	971,786	(23,068,239)
Other Senate Amendments not Included in Executive Budget															
Increase Wages from $0.50 to $1 for Nursing Fac., Basic Care, DD & QSP Providers							14,858,778	12,728,050	-	27,586,828					
Adds Additional Funding for Senior Meal Program							900,000	-	-	900,000					
Adds Funding for Additional Services to be Provided by Robinson Recovery Center							296,000	-	-	296,000					
Addition for Existing Facilities who Provide Leisure, Recreational & Educational Programs							300,000	-	-	300,000					
Adds Funding for DD Corporate Guardianship Services							100,000	-	-	100,000					
Adds Funding for Transitional Employment Grants - South Central Human Service Center							240,000	-	-	240,000					
HB 1170 - Nursing Home and Basic Care Facilities Health Insurance							830,922	830,922		1,661,844					
HB 1172 - Nursing Home and Basic Care Facilities First Preferred Claim							49,810	50,190		100,000					
HB 1176 - Eligible for TANF and SNAP 7 Years after Drug Felony							11,136	489,168		500,304					
HB 1274 - Electronic Prior Authorizations						1.0	74,831	224,493		299,324					
HB 1362 - Medicaid Expansion						3.0	248,789	157,742,548	-	157,991,337					
SB 2271 - Committee on Employment of People with Disabilities							27,594	12,000	-	39,594					
Total Other Senate Amendments not Included in Executive Budget						4.0	17,937,860	172,077,371	-	190,015,231					
Total Senate Amendments						4.0	32,577,089	179,414,124	-	211,991,213					

Department of Human Services
Summary of General Fund Changes
HB 1012
2013-2015

	General Fund			
	Executive Budget Changes	**House Changes**	**Senate Changes (Including Floor Amendments)**	**Total Changes**
	Expressed in Millions			
FMAP Change	**$ 93.3**			**$ 93.3**
Provider Increases	**$ 55.8**		**$ 14.8**	**$ 70.6**
4% Provider Inflationary Increase Each Year of the Biennium	*$ 40.9*			*$ 40.9*
$.50 per Hour Wage Pass Through for Nursing Homes, Basic Care and DD providers and $.50 per Hour Fee for QSPS	*$ 14.9*		*$ 14.8*	*$ 29.7*
Net "Cost" Changes for Programs such as Medical Assistance, Foster Care, and Adoption Grants and Indian County Allocation	**$ 47.4**	**$ (0.3)**	**$ 0.3**	**$ 47.4**
Increase in Governor's Salary & Benefit Package, Continuing Yr 2 Salary Increase & Oil Patch Add On	**$ 30.1**	**$ (12.0)**	**$ 9.0**	**$ 27.1**
Increases in ITD Technology Costs & Computer Projects	**$ 8.0**	**$ (5.0)**		**$ 3.0**
Increase to Address Capacity Issues at the Human Service Centers	**$ 4.1**	**$ (1.3)**	**$ 1.0**	**$ 3.8**
Increase in Medicare Part D Clawback Payment	**$ 3.2**	**$ 0.2**		**$ 3.4**
Fund Extraordinary Repairs and Capital Improvements	**$ 2.8**	**$ (0.2)**	**$ 0.08**	**$ 2.68**
Increase in Home & Community Based Care Services, Including a Mileage Differential for QSPs	**$ 2.8**		**$ 0.9**	**$ 3.7**
Other Capacity, Enhancements & Provider Requests	**$ 2.3**	**$ (0.40)**	**$ 2.28**	**$ 4.18**
Community Based Sex Offender High Risk Treatment Program	*$ 0.3*			*$ 0.30*
Post Adoption	*$ 0.1*	*$ (0.10)*		*$ -*
Peer Support	*$ 0.3*	*$ (0.30)*		*$ -*
Healthy Families	*$ 0.3*			*$ 0.30*
Statewide 2-1-1 Service	*$ 0.2*			*$ 0.20*
TBI Facilitators	*$ 0.3*			*$ 0.30*
Centers for Independent Living	*$ 0.8*			*$ 0.80*
Section 11 - Ramsey County		*$ 0.15*	*$ 0.15*	*$ 0.30*
Section 12 - Adaptive Skiing Program - Annie's House		*$ 0.20*		*$ 0.20*
Governors Prevention Advisory Council Grants		*$ (0.10)*		*$ (0.10)*
Transition to Independence Program (TIP)		*$ (0.30)*		*$ (0.30)*
Older Blind Program		*$ 0.05*	*$ 0.05*	*$ 0.10*
Additional Services Provided by Robinson Recovery Center			*$ 0.30*	*$ 0.30*
Existing Facilities who Provide Leisure, Rec. & Educational Programs			*$ 0.30*	*$ 0.30*
Transitional Employment Grants - South Central Human Service Center			*$ 0.24*	*$ 0.24*
HB 1170 - Nursing Home and Basic Care Facilities Health Insurance			*$ 0.83*	*$ 0.83*
HB 1172 - Nursing Home and Basic Care Facilities First Preferred Claim			*$ 0.05*	*$ 0.05*
HB 1176 - Eligible for TANF and SNAP 7 Years after Drug Felony			*$ 0.01*	*$ 0.01*
HB 1274 - Electronic Prior Authorizations			*$ 0.07*	*$ 0.07*
HB 1362 - Medicaid Expansion			*$ 0.25*	*$ 0.25*
SB 2271 - Committee on Employment of People with Disabilities			*$ 0.03*	*$ 0.03*
Continuation of Cost Based Reimbursement for Critical Access Hospitals (Lab & CRNA) & Rebasing of Rural Health Clinics to Medicare Rates	**$ 1.3**			**$ 1.3**
DD and Aging Guardianship Programs	**$ 1.2**	**$ (1.0)**	**$ 1.1**	**$ 1.3**
"Caseload / Utilization" for Programs such as Medical Assistance, Foster Care, and Adoption Grants	**$ (3.8)**	**$ (9.0)**	**$ 1.65**	**$ (11.15)**
Largest Changes in Executive Budget - $11.3 million increase in Developmental Disability Grants, offset by decrease in Traditional Medical Assistance Grants of $11.0 million and decrease in Nursing Home Grants of $6.2 million.				
Salary and Operating Reductions		**$ (2.50)**	**$ 1.47**	**$ (1.03)**
Removal of an FTE		*$ (0.25)*		*$ (0.25)*
Central Office Divisions Operating		*$ (0.75)*	*$ 0.75*	*$ -*
Specific Medicaid Contract Reductions		*$ (0.40)*	*$ 0.12*	*$ (0.28)*
Human Service Centers Operating		*$ (0.60)*	*$ 0.60*	*$ -*
State Hospital Operating		*$ (0.35)*		*$ (0.35)*
Developmental Center Operating		*$ (0.15)*		*$ (0.15)*
Decrease of One-Time Funding	**$ (16.2)**			**$ (16.20)**
Miscellaneous (1%)	**$ 2.5**			**$ 2.5**
Total General Fund Change	**$ 234.8**	**$ (31.50)**	**$ 32.58**	**$ 235.88**

HB1012
04.22.13
Handout 1

Department of Human Services

Comparison of Guardianship Funding in HB 1041 and HB 1012

Bill	First Engrossment with Senate Amendments - Engrossed HB 1041	First Engrossment with Senate Amendments - Engrossed HB 1012 (DHS Appropriation)
APPROPRIATIONS	Section 1: $1,366,000 Section 2: $70,000	$1,040,000
RESPONSIBLE DEPARTMENT	OMB	DHS
SCOPE	State funds grants to counties for guardianship and public administrator services.	Funding to establish petitioning costs and to provide adult protective services
WHO IS ELIGIBLE	All incapacitated, but not DD eligible. (NDCC 30.1-26-01)	All incapacitated, but not DD eligible. (NDCC 30.1-26-01)
WHAT IT PURCHASES/BUYS	Pays guardianship for existing 164 guardianship cases $225 per case, per month for the first year and $250 per case, per month for the second year. Total Cost = **$934,800**	
	Funds both public or private guardianship services for new wards. The 1st year of the biennium would fund 43 new wards at $225/month = $116,100. The rate would increase to $250/month in year 2 of biennium, funding 43 existing wards at $250/month = $129,000, and adding 43 additional wards at $225/month = $116,100. Total Cost = **$361,200.**	
	Funding to Court to develop and deliver tutorial for new guardians. Total Cost = **$70,000**	
DIFFERENCES	Does not contain funding for petitioning costs.	Funding to establish petitioning costs for 86 wards. Total Cost = **$215,000** (no more than $2,500 each)
	Section 1: Contains an additional **$70,000.** ***($934,800 + $361,200 - $1,296,000)***	
	Does not contain funding for Vulnerable Adult Protective Services.	Contract for four Vulnerable Adult Protective Service staff and related operating costs who will be located throughout the state to address unmet needs. Total Cost = **$825,000**

HB1012
04-23-13
Handout 1

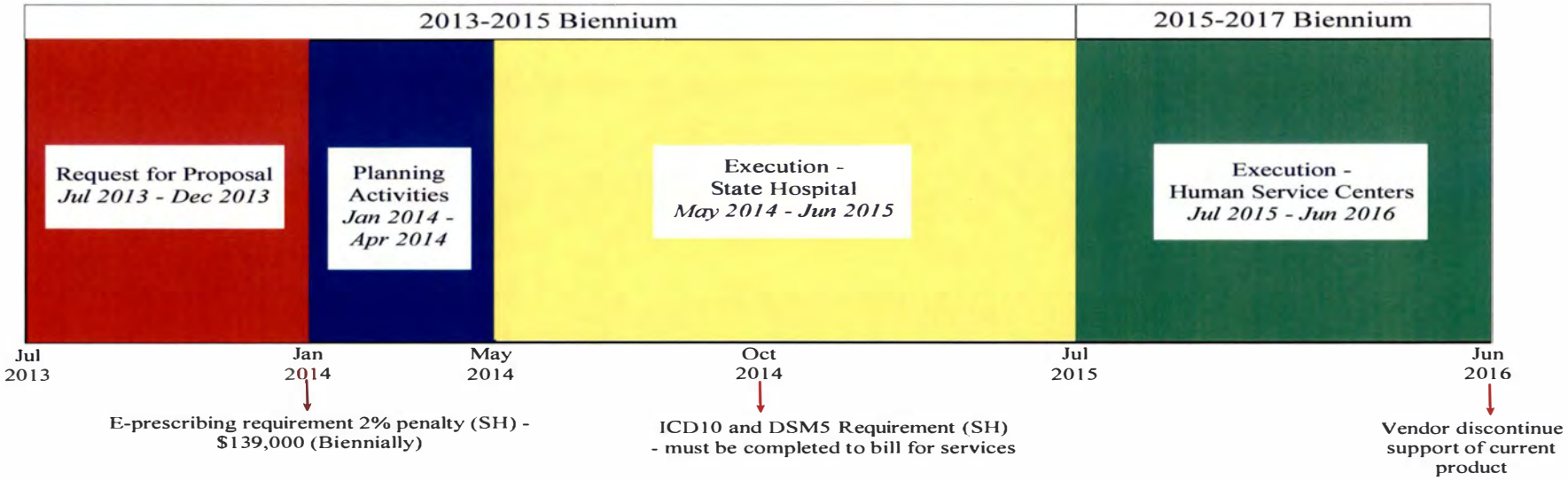
Annual Medicare Revenue - Part A and Part D 3,313,708

Potential Loss of Medicare Revenue Part A & D
Considering an annual Medicare Inflator of 2%

	Penalty as a Percentage of the Medicare Inflator					
	25%	50%	75%	75%	75%	75%
	2015	2016	2017	2018	2019	2020
Estimated Revenue Before Penalty	3,379,982	3,447,581	3,516,533	3,586,864	3,658,601	3,731,773
Estimated Revenue After Penalty	3,363,413	3,413,781	3,464,819	3,534,116	3,604,798	3,676,894
Potential Loss of Revenue	(16,569)	(33,800)	(51,714)	(52,748)	(53,803)	(54,879)
E- Prescribing	(69,433)	(70,822)	(72,238)	(73,683)	(75,156)	(76,660)
Total Potential Loss of Revenue	(86,001)	(104,621)	(123,952)	(126,431)	(128,959)	(131,539)

HB1012
04.23.13
Handout 2

Department of Human Services
Justification for Electronic Health Record (EHR)
NDCC 25-02-01.1, the North Dakota State Hospital (SH) Must Maintain Accreditation from JC and CMS
Estimated Timeline to be Finalized after Receiving Vendor Proposals



Joint Commission (JC) Accreditation Requirements -
Potential loss of Medicaid/Medicare certification if JC accreditation requirements are not met

Joint Commission requirement to track and reduce client medication errors:
- Bar coding of medications
- Medication order duplicate checking

Joint Commission, Medicare/Medicaid requirements:
- Electronic signature functionality

Meaningful Use requirements:
- Electronic monitoring and tracking of weight, labs and other clinical quality measures
- Exchange of clinical information, provider to provider
- Patient copy of health information, clinical care document and discharge summaries
- Patient access to health information

HIPPA Security Standards: Security and Audit log tracking

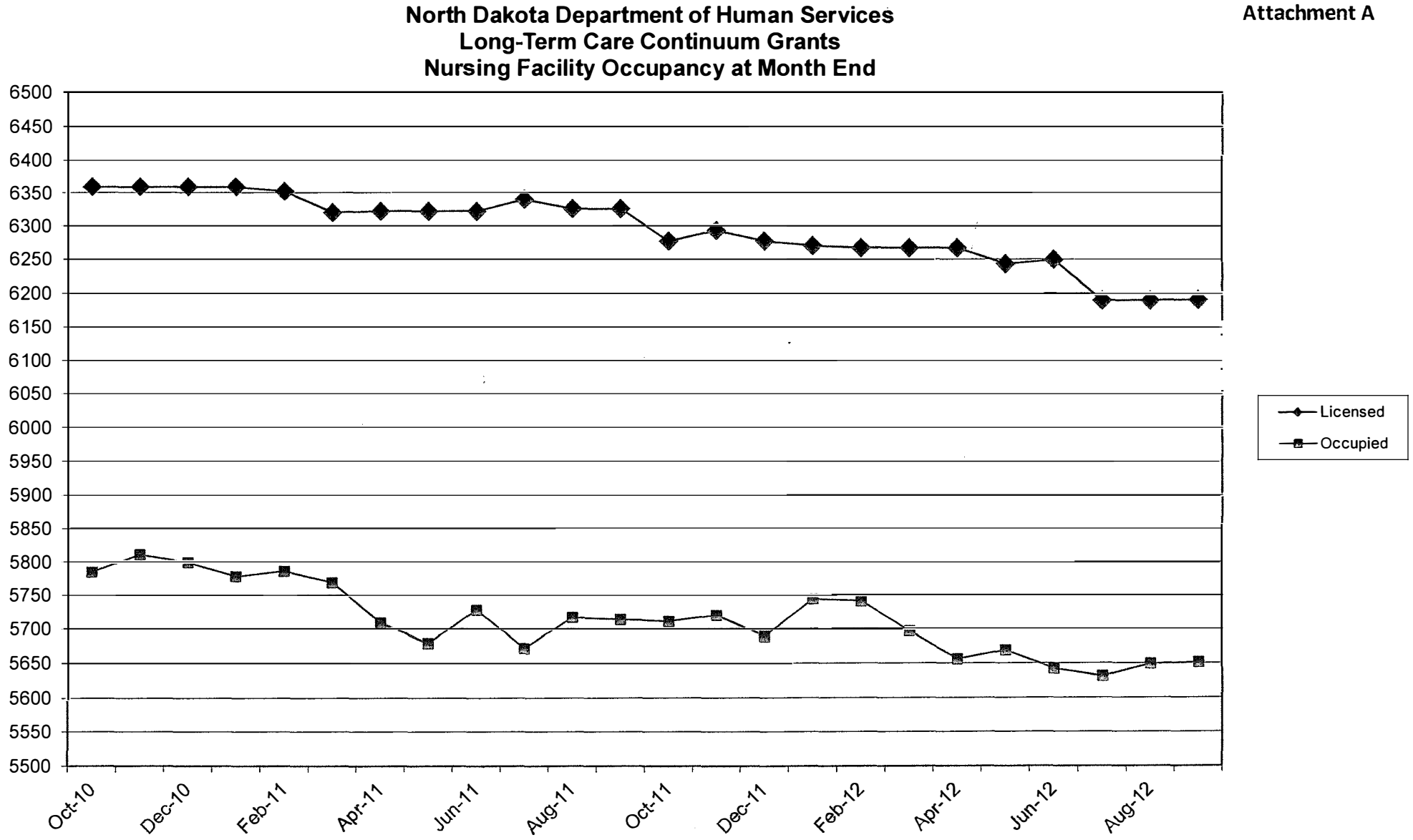
Potential Payment Reductions Effective October 1, 2014

In addition to the new requirements to be a meaningful user of EHRs, there is one important clarification to the requirements for avoiding penalties. **To avoid penalties starting in 2015 for not being a meaningful user, eligible providers (EPs) need to either attest to meaningful use in 2013, or have achieved and attested to the first year of meaningful use by October 1, 2014.** The penalty in 2015 would not apply to providers who achieve meaningful use for the first time in 2014, provided that they report this to CMS by October 3, 2014. Physicians who fail to demonstrate meaningful use of EHRs will suffer a 1% reduction in Medicare pay in 2015. The penalty is projected to increase to 5% in 2020.

Medicare Subsection (d) eligible hospitals that are not meaningful users will be subject to a payment adjustment beginning on October 1, 2014. For example, if the increase to IPPS for 2015 was 2%, then a Medicare Subsection (d) eligible hospital that is not a meaningful user would only receive a 1.5% increase in 2015.

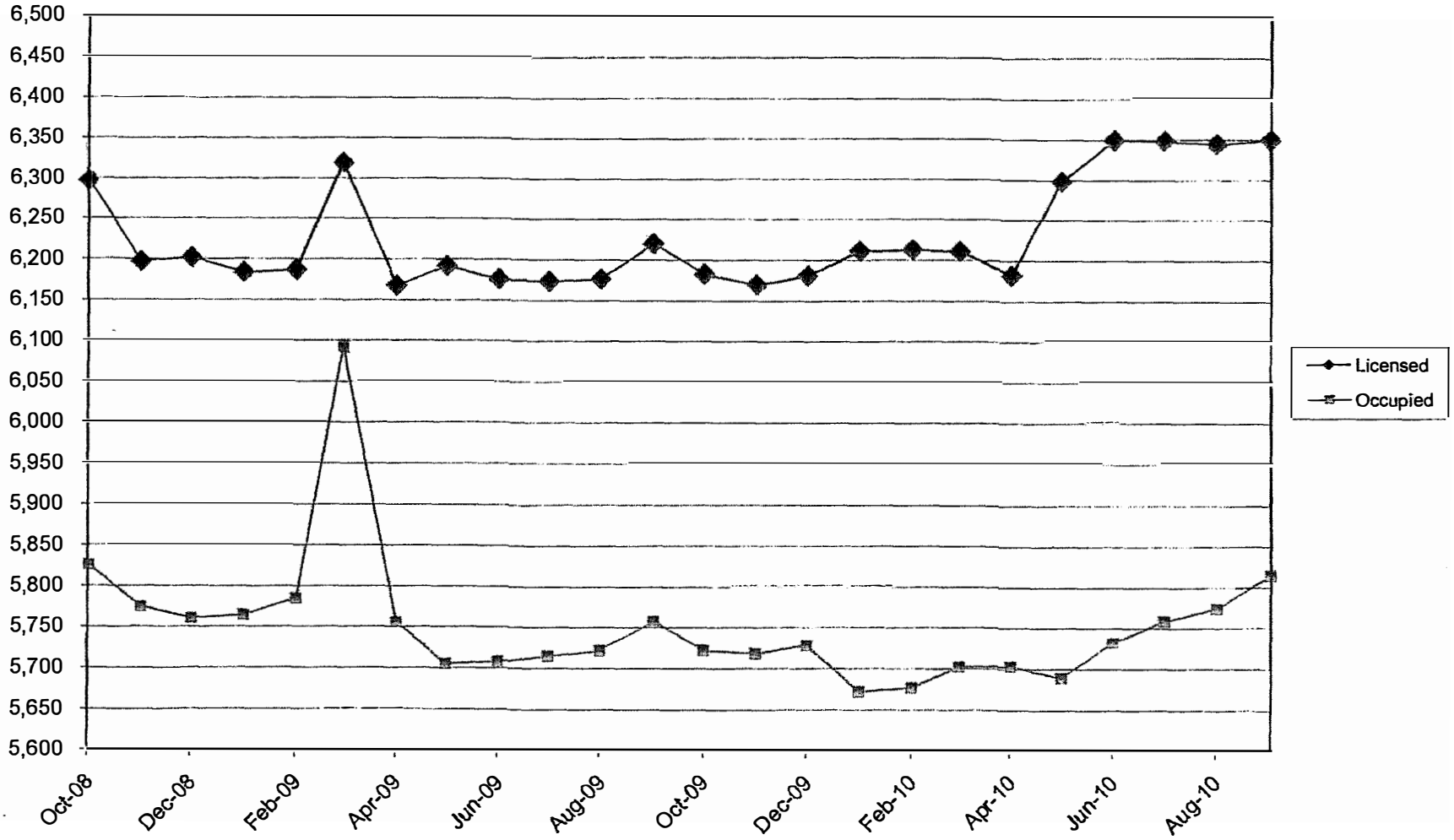
HB 1012
04-24-13
Handout 1

Attachment A

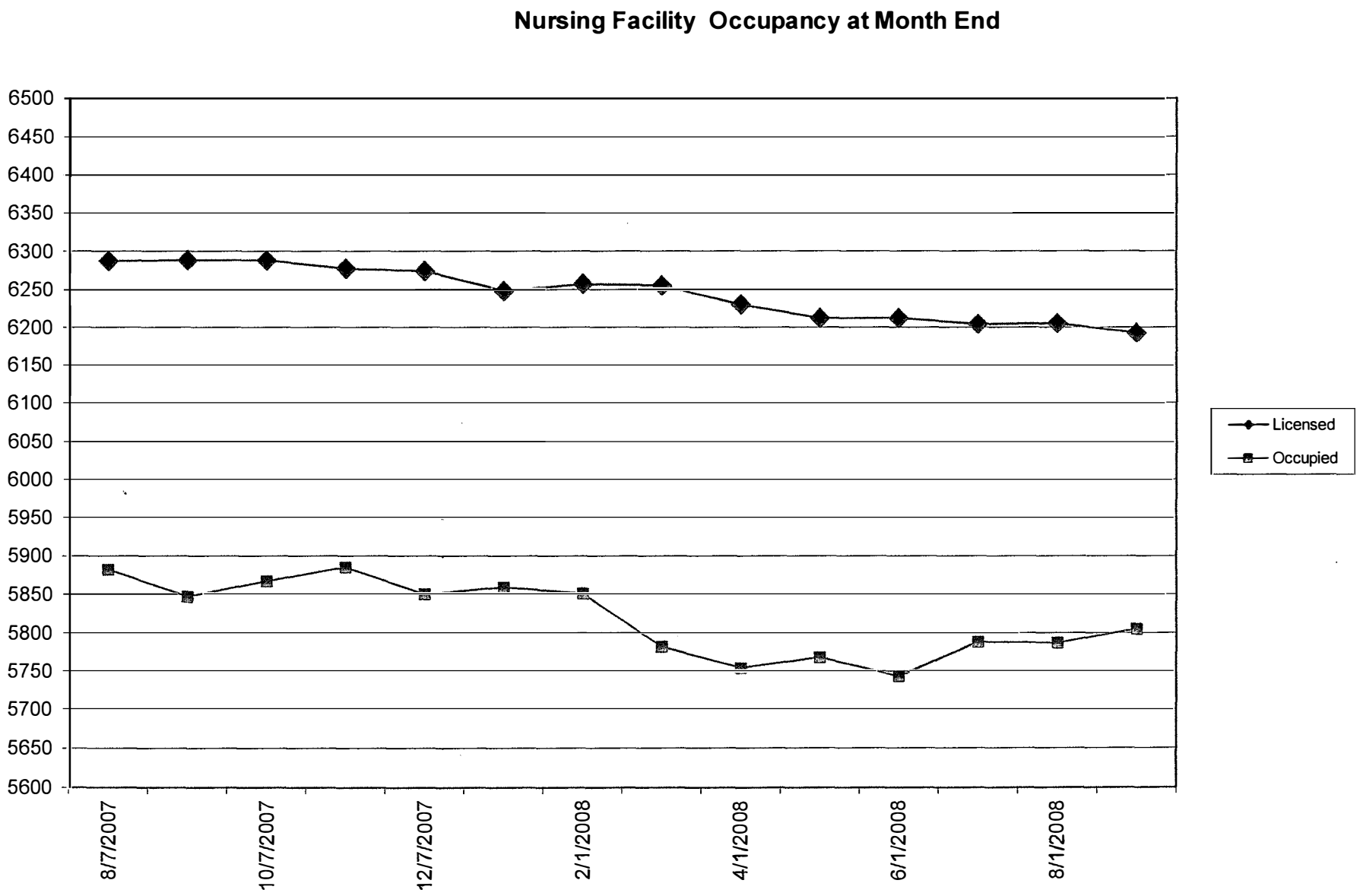


ATTACHMENT A

NF Occupancy at Month End



Attachment A



North Dakota Department of Human Services
2013-2015 Executive Budget Recommendation

	Executive Budget											
	Provider Inflation 4% / 4%				Provider Inflation 4% / 3% July 1, 2013				Increase (Decrease) from a 4% / 4% to 4% / 3%			
Provider Groups	**Total**	**General**	**Federal**	**Other**	**Total**	**General**	**Federal**	**Other**	**Total**	**General**	**Federal**	**Other**
Inflation for Medicaid grant providers	23,272,774	11,290,119	11,887,805	94,850	21,295,196	10,328,459	10,879,923	86,814	(1,977,578)	(961,660)	(1,007,882)	(8,036)
Inflation for DD grant providers	27,531,461	13,549,494	13,981,967	-	25,167,426	12,381,687	12,785,739	-	(2,364,035)	(1,167,807)	(1,196,228)	0
Inflation for Nursing Homes	16,962,510	8,481,249	8,481,261	-	15,748,148	7,874,069	7,874,079	-	(1,214,362)	(607,180)	(607,182)	0
Inflation for Other LTC providers (Basic Care & QSPs)	4,805,130	3,034,424	1,735,511	35,195	4,398,626	2,780,943	1,585,500	32,183	(406,504)	(253,481)	(150,011)	(3,012)
Inflation for Children and Family Service grant providers	5,459,994	1,449,258	3,015,875	994,861	4,990,804	1,324,912	2,712,261	953,631	(469,190)	(124,346)	(303,614)	(41,230)
Inflation for Mental Health/Substance Abuse, Aging, Disability Services Children and Family Services contracted providers	1,548,759	1,449,366	94,961	4,432	1,505,293	1,414,401	86,839	4,053	(43,466)	(34,965)	(8,122)	(379)
Inflation for the Human Service Center contracted providers	1,705,792	1,616,296	88,160	1,336	1,590,205	1,507,553	81,417	1,235	(115,587)	(108,743)	(6,743)	(101)
Total Inflation	**81,286,420**	**40,870,206**	**39,285,540**	**1,130,674**	**74,695,698**	**37,612,024**	**36,005,758**	**1,077,916**	**(6,590,722)**	**(3,258,182)**	**(3,279,782)**	**(52,758)**

HB1012
04.24.13
Handout 2

Adopted by the Conference Committee

4/23/13

April 23, 2013

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1041

That the Senate recede from its amendments as printed on pages 1396 and 1397 of the House Journal and page 1262 of the Senate Journal and that Engrossed House Bill No.1041 be amended as follows:

Page 1, line 6, replace "$361,200" with "$828,600"

Page 1, line 8, remove "for new wards"

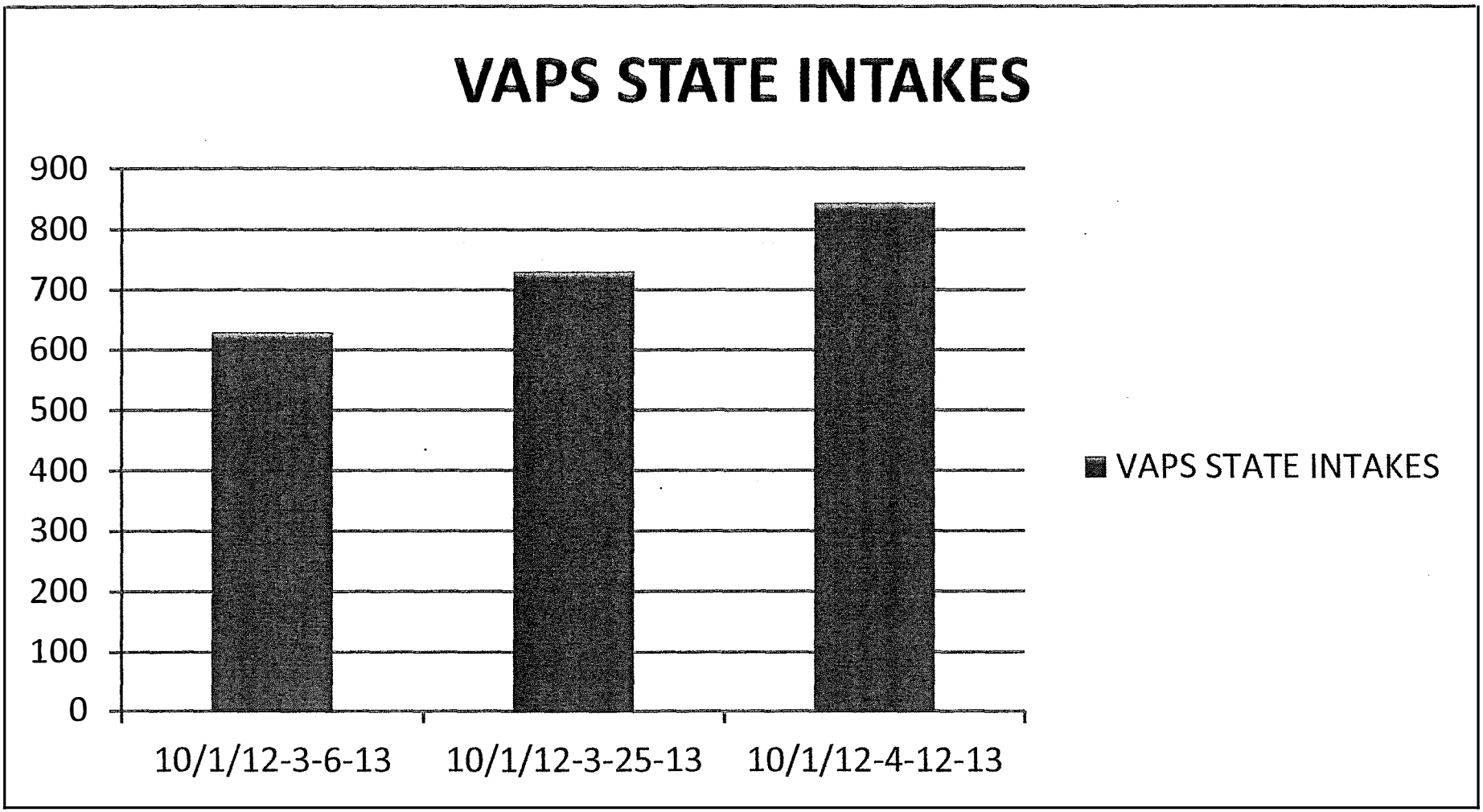
Page 1, line 8, remove "The"

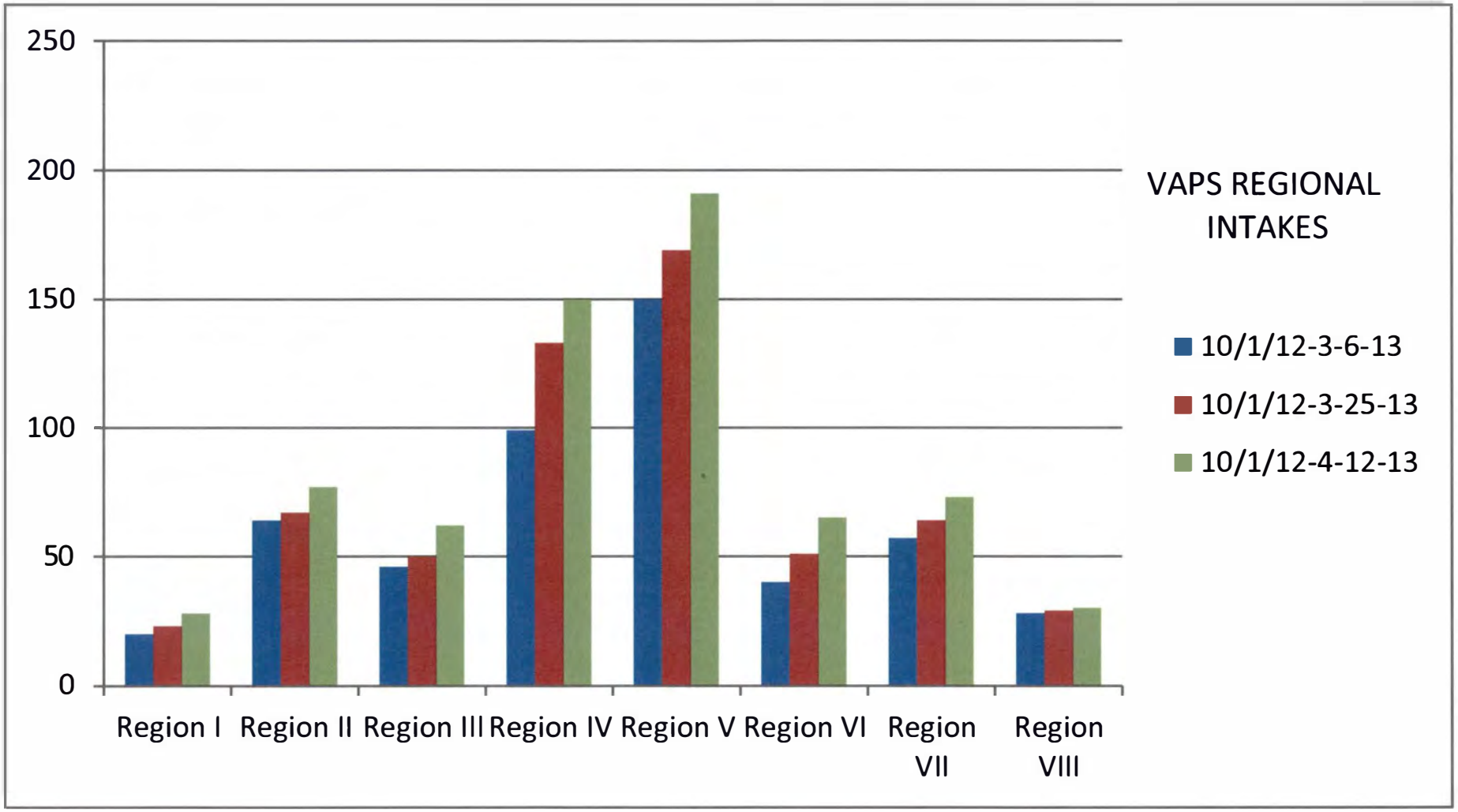
Page 1, replace lines 9 and 10 with "To be eligible for funding under this section, a ward must be found to be an incapacitated adult as defined by section 30.1-26-01 and have income at or below one hundred percent of the federal poverty level or be medicaid-eligible. A ward with developmental disabilities who is receiving case management services through the department of human services is not eligible for funding under this section. A grant to a county for a ward under a guardianship before July 1, 2013, must be based on fifty percent of the established monthly rate for that guardianship. The county receiving a grant for a ward under a guardianship before July 1, 2013, shall pay fifty percent of the monthly rate for the guardianship out of grant funds, but also shall pay the other fifty percent of the monthly rate for the guardianship, limited to a maximum of one-tenth of one mill of that county's property tax, through June 30, 2015."

Renumber accordingly

HB1012
04.24.13
Handout 3

HB 1012
04-25-13
Handout 1




VAPS REGIONAL INTAKES
250
200
150
100
50
0
Region I
Region II
Region III
Region IV
Region V
Region VI
Region VII
Region VIII
10/1/12-3-6-13
10/1/12-3-25-13
10/1/12-4-12-13

Provider Screening and Enrollment Contract:

The ACA requires the Secretary of Health and Human Services, in consultation with the Department of Health and Human Services' Office of the Inspector General, to establish procedures under which screening is conducted with respect to providers of medical or other items or services and suppliers under Medicare, Medicaid, and CHIP. The Act requires the Secretary to determine the level of screening to be conducted according to the risk of fraud, waste, and abuse with respect to the category of provider or supplier.

The Department currently checks the two federal exclusion lists for newly-enrolling providers. The eventual contract will include checking the federal exclusion lists and the list of individuals and entities terminated under Medicare and other state Medicaid plans, for all Medicaid providers on a monthly basis.

The Department released a Request for Proposal for the implementation of the screening requirements (licensing lists, checking Social Security Administration Death Master File, site visits, etc.). The Department is holding off on awarding the contract.

The ACA requires state Medicaid agencies to terminate the participation of any individual or entity if such individual or entity is terminated under Medicare or any other state Medicaid plan.

HB 1012
04-25-13
Handout 2

SECTION 11. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes ~~$150,000~~$300,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year ~~2011~~ 2012 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015. No more than fifty percent of this appropriation may be distributed in each fiscal year of the biennium.

HB 1012
04-26-13
Handout 1

Amendments to 13.8141.02000

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 6, line 13, replace "grants" with "a grant"

Page 6, line 13, after "program" insert "affiliated with a winter park that is located in a county of less than ten thousand individuals"

Page 6, line 16, after "program" insert ". The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section"

Renumber accordingly

HB1012
04.26.13
Handout 2

This amendment has been prepared at the request of Senator O'Connell and Representative J. Nelson.

Prepared by the
Department of Human Services
April 18, 2013

AMENDMENT. Subsection 3 of section 14-09-09.10 of the North Dakota Century Code is hereby amended and reenacted:

3. "Child Support" means payments for the support of ~~children~~ a child, including payments for health insurance coverage or other medical support, and ~~combined~~ payments for the support of ~~children and~~ spouses or former spouses with whom the child is living as long as the spousal support payment is owed to the spouse or former spouse under the same order as the payments for the child, ~~however denominated,~~ if the payment is required by the order of a court or other governmental agency having authority to issue such orders, and includes past-due support.

Purpose of Amendment: Federal law requires state child support programs to enforce spousal support obligations if owed to the same parent with whom the child is living and included in the same support order. Despite a 1989 Attorney General opinion interpreting current state law to include separate child support and spousal support payments if owed in the same order, the statute was recently interpreted by a judicial district as not applying to spousal support unless the child support amount and spousal support amount are combined into one payment amount. The amendment clarifies existing law and preserves the State's compliance with federal law.

HB1012
04.26.13
Handout 3

Pollert, Chet A.

From: Keller, Becky J.
Sent: Thursday, April 25, 2013 4:41 PM
To: Pollert, Chet A.
Subject: FW: LM Study

Proposed language for amendment to HB 1012 regarding health care:

SECTION 18. LEGISLATIVE MANAGEMENT STUDY - NORTH DAKOTA HEALTH CARE. During the 2013-14 interim, the legislative management shall consider studying the immediate needs and challenges of the North Dakota health care delivery system, implementing the healthy North Dakota initiative, examining Medicaid reform, and the feasibility of developing a plan for a private health care model that will comply with federal health care reform in a manner that will provide high quality, accessible, and affordable care for North Dakota citizens. In performing the study, the legislative management may consider population shifts, facility needs, personnel needs, rural access, regulatory public health functions, and vulnerable populations; determine the scope of the weakness in the current health care system; take into account the ongoing impact that federal health care reform under the federal Affordable Care Act is having on state delivery of health care and on state delivery of Medicaid; and consider how to forge partnerships with federal payers and regulators in order to work toward addressing medical reimbursement system reform. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

HB 1012
04-26-13
Handout 4

Tim Mathern

Subject: RE: RRC

If we were to receive only half of the asked for $296,000 we would not be able to support the 5 additional beds. Half of that amount would cover start up costs, and expenses for only 1 year of the biennium. We currently have 26 men and 17 women on our waiting list. Of the 17 women, 9 are addicted to Meth, and 8 are addicted to opiates. The additional 5 beds will allow us to serve an additional 12 to 15 women per year. To fully fund 5 additional beds, a full time psychiatric nurse, and make up for the revenue shortfall from the current grant, we would need to seek an additional $150,000 through grants, etc., over and above the additional $296,000. However, we also feel that, with a very tight budget, with the additional $296 thousand, we could fund the 5 additional beds, and a ½ time nurse. As I said, this would be a stretch on a very tight budget, but would be in line with Sharehouse's mission statement. With half of what we are asking for, we would be able to fund a full time psych nurse, but not the additional beds. It would be difficult to raise enough money through outside grants, etc. to fund additional beds.
I hope this helps, if you have any additional questions, let me know. If it would help to have someone from here testify to the committee, we would be glad to do so.

"THE KIND OF BEHAVIOR THAT REALLY S SPIRITUAL PRACTICE CONSISTS OF REFRAINING FROM FALSEHOOD AND ABIDING BY THE TRUTH, NEITHER HUMILIATING NOR MOCKING OTHERS, BEING HUMBLE, AND HAVING A GOOD HEART AND HELPING OTHERS."

Dalai Lama

Bill Sparke, LICSW
Program Director
Sharehouse Robinson Recovery Center
4215 9th Ave. SW
Fargo, ND 58103
701-478-9550
FAX: 651-925-0046
wsparke@sharehouse.org
www.sharehouse.org

HB 1012
04-26-13
Handout 5

HB1012
04-26-13
Handout 6e

ALL Human Service Centers
Long Term Residential
As of April 26, 2013

Human Service Center	Contract with / DHS Operated	# of beds	2013-2015 Base Budget Request	# of beds in Executive Budget Recommendation
Northwest	None		0	
North Central	Growing Together, Inc.	9	477,384	9
Lake Region	2013-2015 Request		0	8
Northeast	Prairie Harvest MH - Stern Place	9	76,800	9
Northeast	Prairie Harvest MH - Harvest Homes	12	642,895	12
Southeast	Dacotah Foundation	15	1,160,308	15
Southeast	2013-2015 Request			16
South Central	None		0	
West Central	DFO-Sanish SMI	8	573,866	8
West Central	Pride-Heritage A&D	10	640,000	10
West Central	2013-2015 Request			10
Badlands	None		0	
TOTALS		**63**	**3,571,253**	**97**

Summary by Human Service Center		# of beds		# of beds in Executive Budget Recommendation
Northwest		0		0
North Central		9		9
Lake Region		0		8
Northeast		21		21
Southeast		15		31
South Central		0		0
West Central		18		28
Badlands		0		0

Schweitzer, Alex C.

HB1012
04-26-13
Handout 7

From: Schweitzer, Alex C.
Sent: Friday, April 26, 2013 10:14 AM
To: Mathern, Tim
Subject: Community Based Services

Tracking:

Recipient	Delivery	Read
Mathern, Tim	Delivered: 4/26/2013 10:14 AM	
Anderson, Maggie D.	Delivered: 4/26/2013 10:14 AM	Read: 4/26/2013 10:15 AM
McDermott, Debra A.	Delivered: 4/26/2013 10:14 AM	Read: 4/26/2013 10:14 AM

North Dakota State Hospital:

The NDSH utilizes 123 beds for acute inpatient and intermediate psycho-social rehabilitation services for the treatment of adults with serious and persistent mental illness and chemical addiction. The Hospital in the years from 2007 through 2009, had occupancy rates in the 95 to 100 percent range. Average occupancy was 86 percent from 2010 through 2012, and this better aligned with the ratio of staff to patients, as the NDSH staffs patient units for 85 percent occupancy. The decrease in occupancy can be attributed to increased community service options, treatment in local psychiatric inpatient facilities, and more community discharge options for chronic patients.

Southeast Human Service Center:

The SEHSC accounted for 20 percent of all admissions to the North Dakota State Hospital (NDSH) in SFY 2012. This is a decrease of 13 percent from SFY 2010. This decrease was due in part to improved partnerships with Prairie St. John's for contracted inpatient care and Dacotah Foundation for contracted residential care, and SEHSC's improved access to case management and addiction treatment services

- The demand for addiction treatment services for adults in the region continues to grow. During the 11-13 biennium, the SEHSC 15-bed crisis residential unit and eight-bed residential units at Dakota Pioneer have consistently remained full. The

SEHSC also has started to phase in the new contracted 15-bed addiction residential facility funded in the last legislative session.

- SEHSC is seeing an increased demand for case management services for individuals with serious mental illness or who are dual diagnosed, with both serious mental illness and chemical dependency. The SEHSC provides these services for individuals who most likely would access higher levels of care such as hospitalization, or experience repeated law enforcement encounters, need social detox and/or pose a harm to themselves or others. Individuals who receive case management services require multiple services and generally more intensive services.

Department of Human Services
Cost & Caseload Information
Nursing Facilities

Service Description	2011-2013 Appropriation	Cost Changes	Caseload/ Utilization Changes	4/4 Inflation	LTC Staff Rate Increase 50¢	Personal Needs Allowance Nursing Facilities $50 to $65	Total Changes	2013-2015 Budget To House
Nursing Facilities	459,836,020	26,868,091	(14,084,129)	16,962,510	10,686,766	1,025,565	41,458,803	501,294,823

	Monthly Average Bed Days		
	2011-2013 Executive Request	2013-2015 Executive Request	2013-2015 To Senate
Nursing Facility	97,832	92,199	90,824
Dakota Alpha	449	426	426
Geropsych Unit	975	1,460	1,460
Swing Bed	1,310	1,186	1,186
Hospice Room & Board	2,650	2,494	2,494
Out of State	1,888	1,187	1,187
	105,104	98,952	97,577
Decrease in Monthly Average Bed Days		(6,152)	(1,375)

#8

HB 1012
4-26-13

T:\Bdgt 2013-15\Grant Information\LTC (not DD)\Nursing Home Bed Information.xlsx

13.8141.02013
Title.

Prepared by the Legislative Council staff for
Senator Mathern
April 3, 2013

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 4, after the semicolon insert "to provide for a legislative management study;"

Page 6, after line 23, insert:

"**SECTION 14. LEGISLATIVE MANAGEMENT STUDY OF THE NEED FOR A COMPREHENSIVE SYSTEM OF CARE FOR INDIVIDUALS WITH BRAIN INJURY.** During the 2013-14 interim, the legislative management shall consider studying the need for a comprehensive system of care for individuals with brain injury, including services available to veterans who are returning from wars, the impact of the inclusion of all acquired brain injury on traumatic brain injury programs, the need for a statewide registry for brain injury, the need for increased awareness of the impact of brain injury, the need for screening for brain injury in the education system, the availability of community support systems, the availability of specialized substance abuse services, the examination of the long-term care needs, the availability of home and community-based services, services available from independent living centers, the need for transitional supportive housing, and the suitability of the current level of care determination for brain injury. Consideration should be given to input from the department of human services traumatic brain injury advisory committee and stakeholders from the private and public sectors including individuals with brain injury, families impacted by brain injury, educators, treatment providers, and service providers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Renumber accordingly

HB 1012
04.26.13
Handout 9

Attachment F

Department of Human Services OAR Descriptions for the 2013-15 Biennium

As of December 5, 2012

Row	Cabinet Priority	Cabinet Category	Short Description (In Order by Reporting Level)	Narrative
34	09	Enhancement of Services	Robinson Recovery Center - Sharehouse	Robinson is a forty bed (thirty male and ten female) long-term residential treatment facility for the treatment of those addicted to meth or other controlled substances. Nearly 60% of patients are taking a prescribed psychotropic medication. 60-70% of the residents also have a mental illness. Due to changes in clientele, a psychiatric nurse and family therapy are needed in addition to funding for medications. The request is for $148,342 per year.
35	10	Building Demolition ★	Demolish Refectory Building - Developmental Center	The Refectory Building should be taken down before it collapses.
36	10	Building Demolition ★	Demolish Pleasant View Building - Developmental Center	The Pleasant View building is one of the older buildings on campus. It would need major repairs to be usable and therefore it is more appropriate to demolish the building.

HB 1012
04.27.13
Handout 1

Department of Human Services

Explanation of Robinson Recovery Center Funding

HB 1012 – April 27, 2013

Current

$1.7 million for 40 beds (30 male, 10 female)

Currently has a waiting list for both genders.

$150,000 Senate Appropriations Amendment

Added funding for additional services to be provided by Robinson Recovery Center.

$146,000 Senate Floor Amendment

Floor speech by Senator Robinson indicates the funding would be used to add 5 female beds to the facility and one staff position.

HB 1012
04.27.13
Handout 2

North Dakota Department of Human Services
2013-2015 Executive Budget Recommendation

Provider Groups	Executive Budget Provider Inflation 4% / 4% Total	General	Federal	Other	Provider Inflation 4% / 3% July 1, 2013 (Providers also receiving wage pass through) Total	General	Federal	Other	Increase (Decrease) from a 4% / 4% to 4% / 3% Total	General	Federal	Other
Inflation for DD grant providers	27,531,461	13,549,494	13,981,967	-	25,167,426	12,381,687	12,785,739	-	(2,364,035)	(1,167,807)	(1,196,228)	0
Inflation for Nursing Homes	16,962,510	8,481,249	8,481,261	-	15,748,148	7,874,069	7,874,079	-	(1,214,362)	(607,180)	(607,182)	0
Inflation for Other LTC providers (Basic Care & QSPs)	4,805,130	3,034,424	1,735,511	35,195	4,398,626	2,780,943	1,585,500	32,183	(406,504)	(253,481)	(150,011)	(3,012)
					Provider Inflation 4% / 4% July 1, 2013							
Inflation for Medicaid grant providers	23,272,774	11,290,119	11,887,805	94,850	23,272,774	11,290,119	11,887,805	94,850	0	0	0	0
Inflation for Children and Family Service grant providers	5,459,994	1,449,258	3,015,875	994,861	5,459,994	1,449,258	3,015,875	994,861	0	0	0	0
Inflation for Mental Health/Substance Abuse, Aging, Disability Services Children and Family Services contracted providers	1,548,759	1,449,366	94,961	4,432	1,548,759	1,449,366	94,961	4,432	0	0	0	0
Inflation for the Human Service Center contracted providers	1,705,792	1,616,296	88,160	1,336	1,705,792	1,616,296	88,160	1,336	0	0	0	0
Total Inflation	**81,286,420**	**40,870,206**	**39,285,540**	**1,130,674**	**77,301,519**	**38,841,738**	**37,332,119**	**1,127,662**	**(3,984,901)**	**(2,028,468)**	**(1,953,421)**	**(3,012)**

HB1012
04-27-13
Handout 3

ND Department of Human Services
Rate Increase for Providers in 10¢ increments to $1.00 (Plus $.85 scenario)
13-15 Biennium

$.10 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	2,137,353	1,064,808	1,072,545
Basic Care	620,449	440,397	180,052
QSP's	458,225	323,402	134,823
DD Providers	2,306,186	1,155,636	1,150,550
Total	5,522,213	2,984,243	2,537,970

$.20 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	4,274,706	2,129,616	2,145,090
Basic Care	1,240,897	880,793	360,104
QSP's	916,449	646,803	269,646
DD Providers	4,612,373	2,311,273	2,301,100
Total	11,044,426	5,968,486	5,075,940

$.30 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	6,412,060	3,194,424	3,217,636
Basic Care	1,861,346	1,315,888	545,458
QSP's	1,374,674	966,082	408,592
DD Providers	6,918,559	3,446,144	3,472,415
Total	16,566,638	8,922,537	7,644,101

$.40 per hour increase with 4% and 4% inflation

	Total	General	Federal
Nursing Facilities	8,549,413	4,259,232	4,290,181
Basic Care	2,481,794	1,754,517	727,277
QSP's	1,832,898	1,288,108	544,790
DD Providers	9,224,746	4,594,860	4,629,886
Total	22,088,851	11,896,717	10,192,134

HB1012
04.27.13
Handout 4

Funded in the Executive Budget
$.50 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	10,686,766	5,324,040	5,362,726
Basic Care	3,102,243	2,193,147	909,096
QSP's	2,291,123	1,610,136	680,987
DD Providers	11,530,932	5,743,574	5,787,358
Total	27,611,064	14,870,897	12,740,167

$.60 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	12,820,173	6,386,882	6,433,291
Basic Care	3,721,795	2,631,142	1,090,653
QSP's	2,749,348	1,932,164	817,184
DD Providers	13,837,113	6,892,286	6,944,827
Total	33,128,430	17,842,475	15,285,955

$.70 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	14,953,581	7,449,744	7,503,837
Basic Care	4,341,347	3,069,048	1,272,299
QSP's	3,207,573	2,254,191	953,382
DD Providers	16,143,294	8,040,990	8,102,304
Total	38,645,795	20,813,973	17,831,822

$.80 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	17,086,988	8,512,589	8,574,399
Basic Care	4,960,900	3,507,031	1,453,869
QSP's	3,665,797	2,576,217	1,089,580
DD Providers	18,449,476	9,189,702	9,259,774
Total	44,163,161	23,785,539	20,377,622

$.85 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	12,027,000	9,043,993	9,109,699
Basic Care	1,534,274	3,726,503	1,544,173
QSP's	8,044,226	2,737,231	1,157,679
DD Providers	5,534,845	9,764,047	9,838,520
		-	-
Total	27,140,346	25,271,774	21,650,071

$.90 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	19,220,396	9,575,397	9,644,999
Basic Care	5,580,452	3,945,975	1,634,477
QSP's	4,124,022	2,898,245	1,225,777
DD Providers	20,755,657	10,338,392	10,417,265
Total	49,680,526	26,758,008	22,922,518

$1.00 per hour increase with 4% and 4% inflation

	Total	General	Other
Nursing Facilities	21,353,803	10,638,238	10,715,565
Basic Care	6,200,004	4,384,064	1,815,940
QSP's	4,582,247	3,220,272	1,361,975
DD Providers	23,061,838	11,487,101	11,574,737
Total	55,197,892	29,729,675	25,468,217