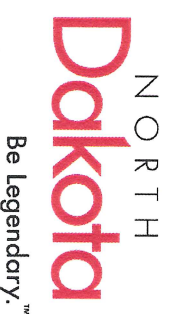




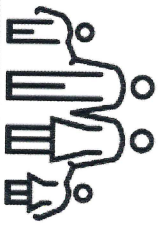
HOUSE BILL 1012
HOUSE APPROPRIATIONS | HUMAN RESOURCES DIVISION
REPRESENTATIVE JON NELSON, CHAIRMAN

STATE HOSPITAL

Rosalie Etherington, Chief Clinic Director/NDSH Superintendent



Human Services

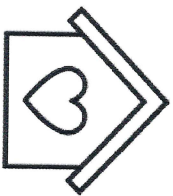


Strong Stable Families

- Maintain family connections
- Improve stability and prevent crises
- Promote and support recovery and well-being

SPECIALIZED SERVICES

- Psychiatric Inpatient Services
- Substance Use Disorders Residential Services
- Sex Offender Residential Services
- Transitional Residential Services

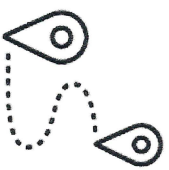


Services Closer to Home

- Create pathways that help people access the right service at the right time
- Engage proactively with providers to expand access to services

PRIMARY PSYCHIATRIC HOSPITAL

- Jamestown Region
- Devils Lake Region



Efficiency Through Redesign

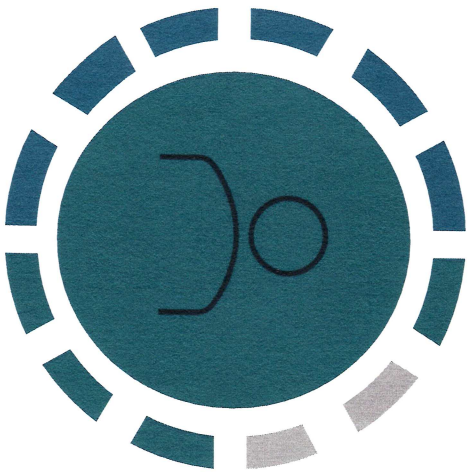
- Embrace process redesign to find efficiencies in our work
- Leverage technology to support greater efficiency, quality and customer service

EFFICIENT AND HIGH QUALITY

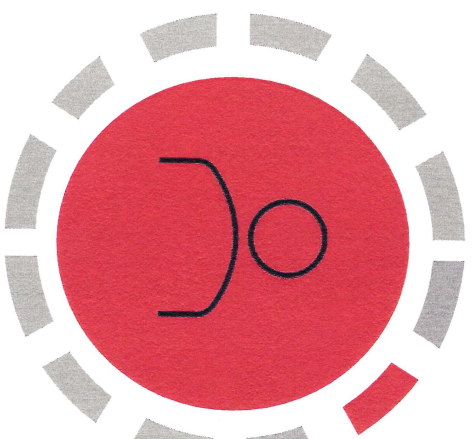
- Award Winning Hospital for Quality Redesign
- 20 Years of Efficiencies Meet a Limit
- New Hospital Improves Efficiency and Quality

STATE HOSPITAL ADMISSIONS

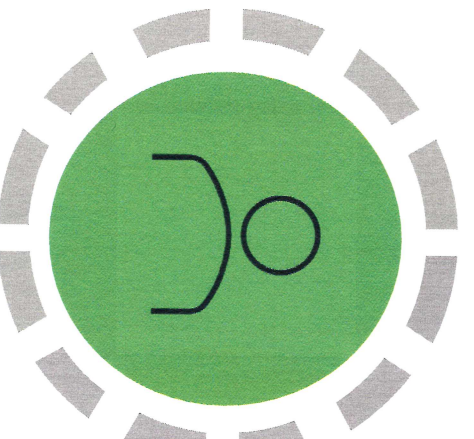
Acute, Subacute, Rehabilitative, Residential



83%
Inpatient
Hospital
Admissions



16%
Residential
Substance Use
Disorder (SUD)
Admissions



.5%
Residential
Sexual
Offender
Admissions



4%
Transitional
Living Facility
Admissions

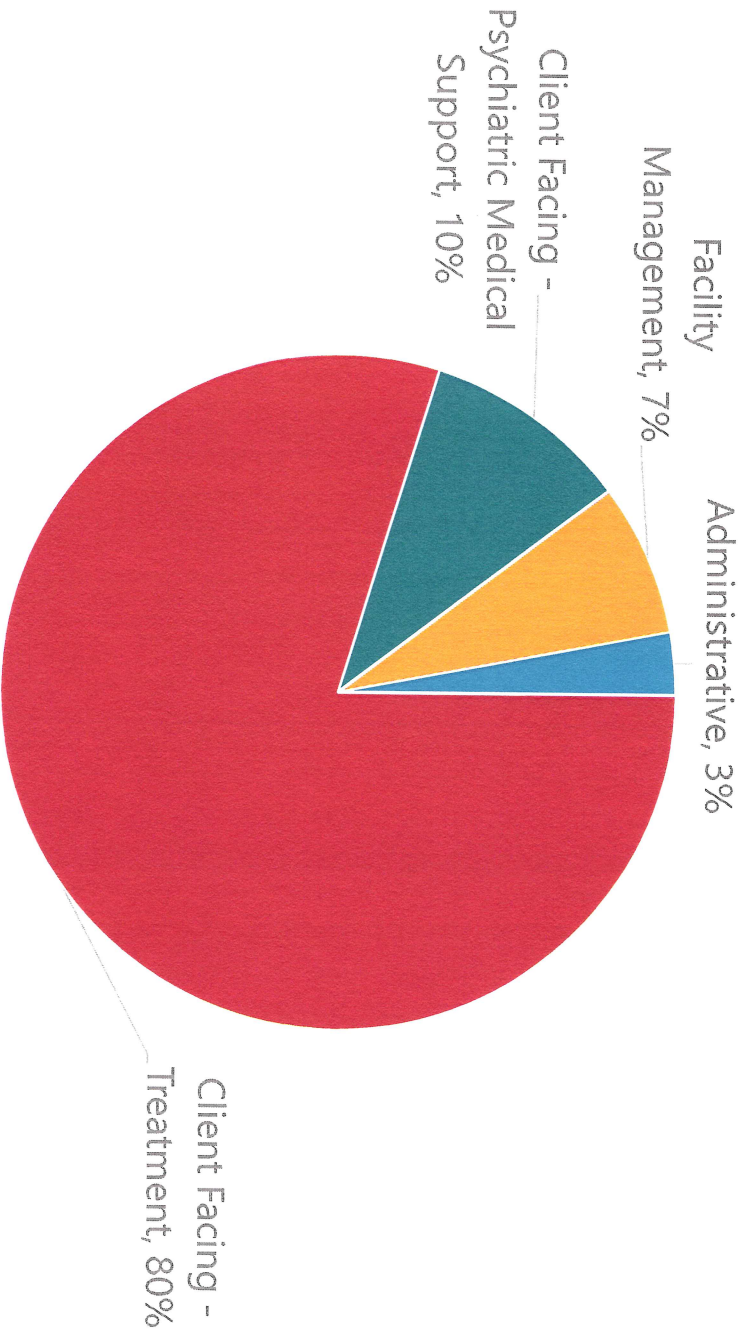
STATE HOSPITAL FTE BREAKDOWN

TRADITIONAL TREATMENT BUDGET = T
SEX OFFENDER TREATMENT BUDGET = S

19-21 Authorized FTE Base	19-21 Authorized FTE Realigned	21-23 Requested Base FTE	# vacancies 12-31-20 (from base)	% of FTE	Assignment of Requested FTE Descriptor	# of FTE
339.52 (T)	331.62 (T)	314.52 (T)	68.8	80%	Client Facing	303
68.5 (S)	67.5 (S)	67.5 (S)		10%	Patient Medical and Support Services	39
				7%	Facility Management	27
				3%	Administrative	12

Telework Headcount	
Pre-COVID	Current
0	1

STATE HOSPITAL EMPLOYEES BY TYPE



STATE HOSPITAL VACANCIES

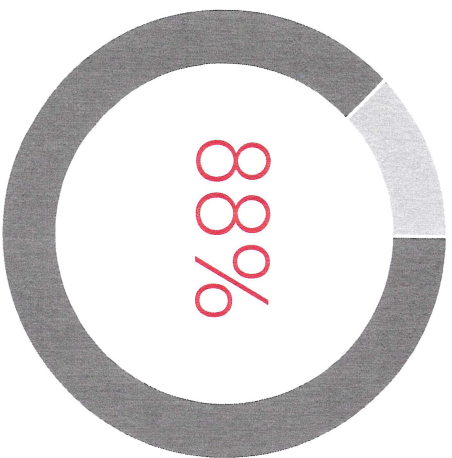
55 of 68.8 vacancies are nursing staff

Job Classification	Vacant FTE	Job Classification	Vacant FTE
Activity Therapist	1.0	Industries Specialist	1.0
Applied Behavior Analyst	1.0	Licensed Practical Nurse (LPN)	6.0
Direct Care Associate I, II, III	32.9	Occupational Therapist	1.0
Direct Care Supervisor	2.0	Psychiatrist	1.0
Human Service Program Administrator	2.0	Psychology Resident	1.0
Heating Plant Supervisor	1.0	Registered Nurse (RN)	15.9
Human Relations Counselor	2.0	Social Worker	1.0

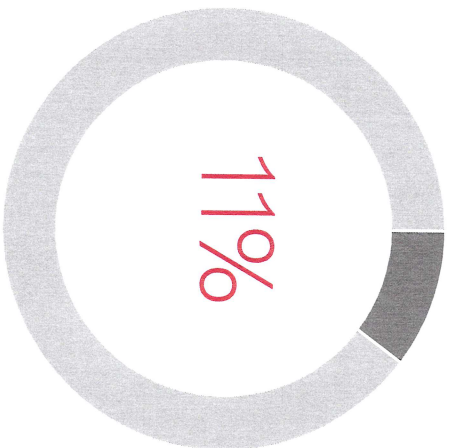
Total Vacant FTE: 68.8 (effective 12.31.2020)

SALARY BUDGET DISTRIBUTION

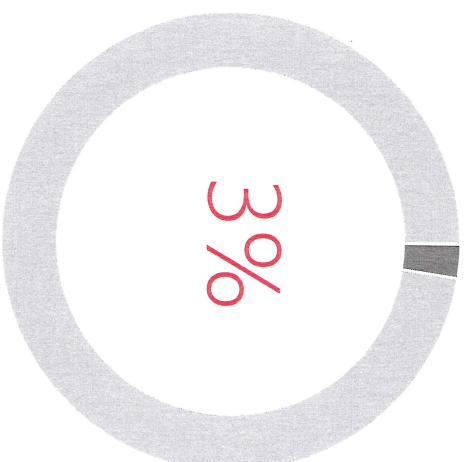
VACANCIES AREN'T EQUAL TO EMPTY POSITION



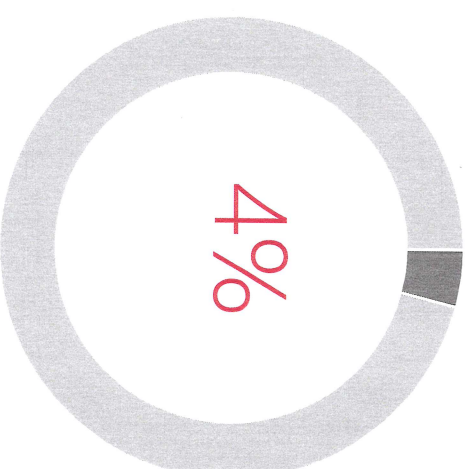
Filled FTE



Overtime FTE
Equivalent

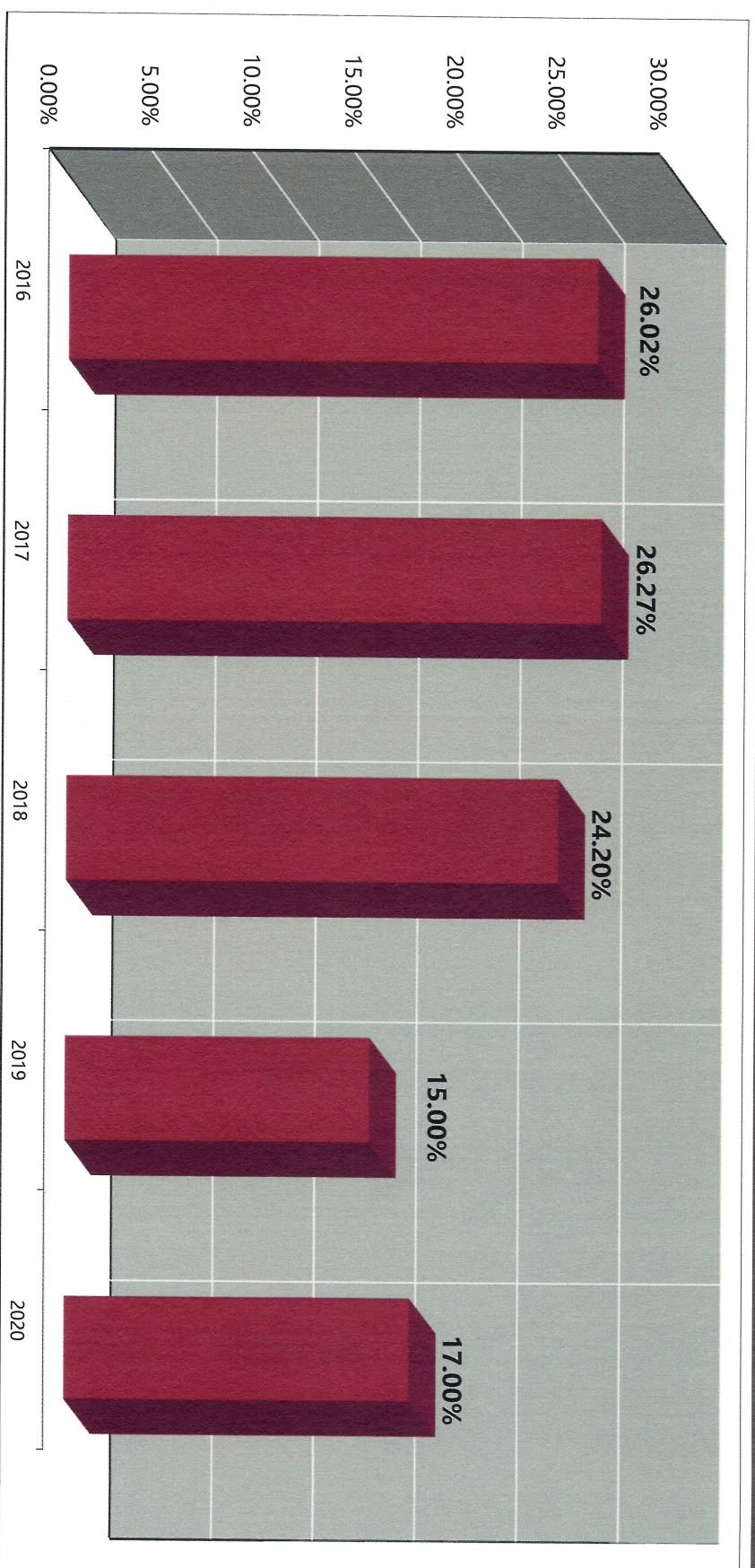


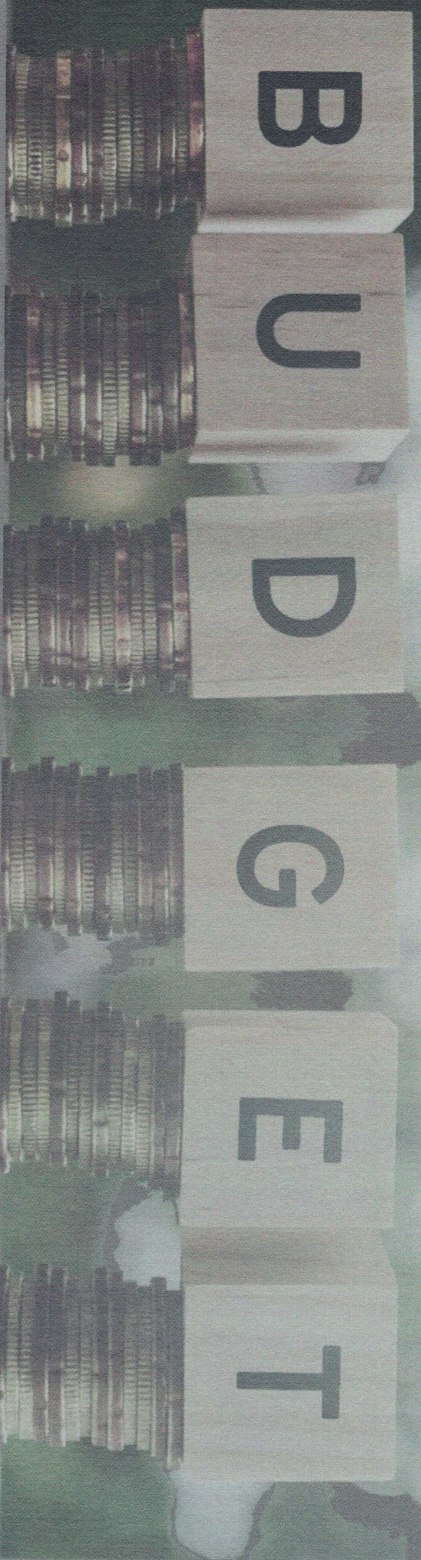
Agency Nurses



Underfunding FTE
Equivalent

STATE HOSPITAL TURNOVER RATE



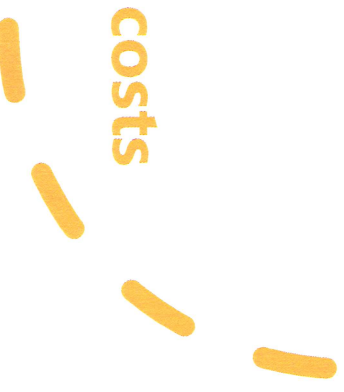


Budget Recommendations

BUILD NEW HOSPITAL

- Eliminate \$148M of Deferred Maintenance
- Finance Construction Without Upfront Capital
- Make Annual Payment Through \$5M Savings
- \$1.7M Gap Payment Requires Funding

Improve care and save costs



FTE AND UNIT REDUCTIONS

- Close 25 bed Inpatient Unit
✓ Reduce 14 FTE
- Close 30 bed Tompkins Unit
✓ Reduce 10 FTE Budget
- Operational Efficiencies
✓ Reduce 3 FTE



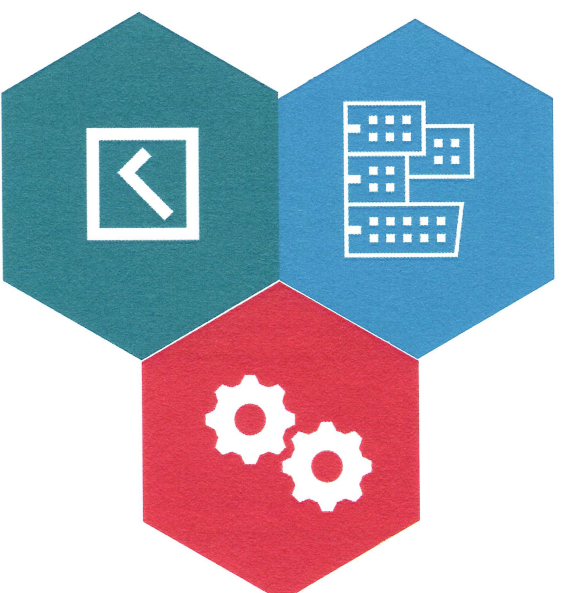
What We Need to Accomplish Budget Reduction

PRE-CONDITIONS TO CLOSE INPATIENT UNIT

NEGOTIATING

Western Beds

Partner with private hospital for 6-10 hospital beds



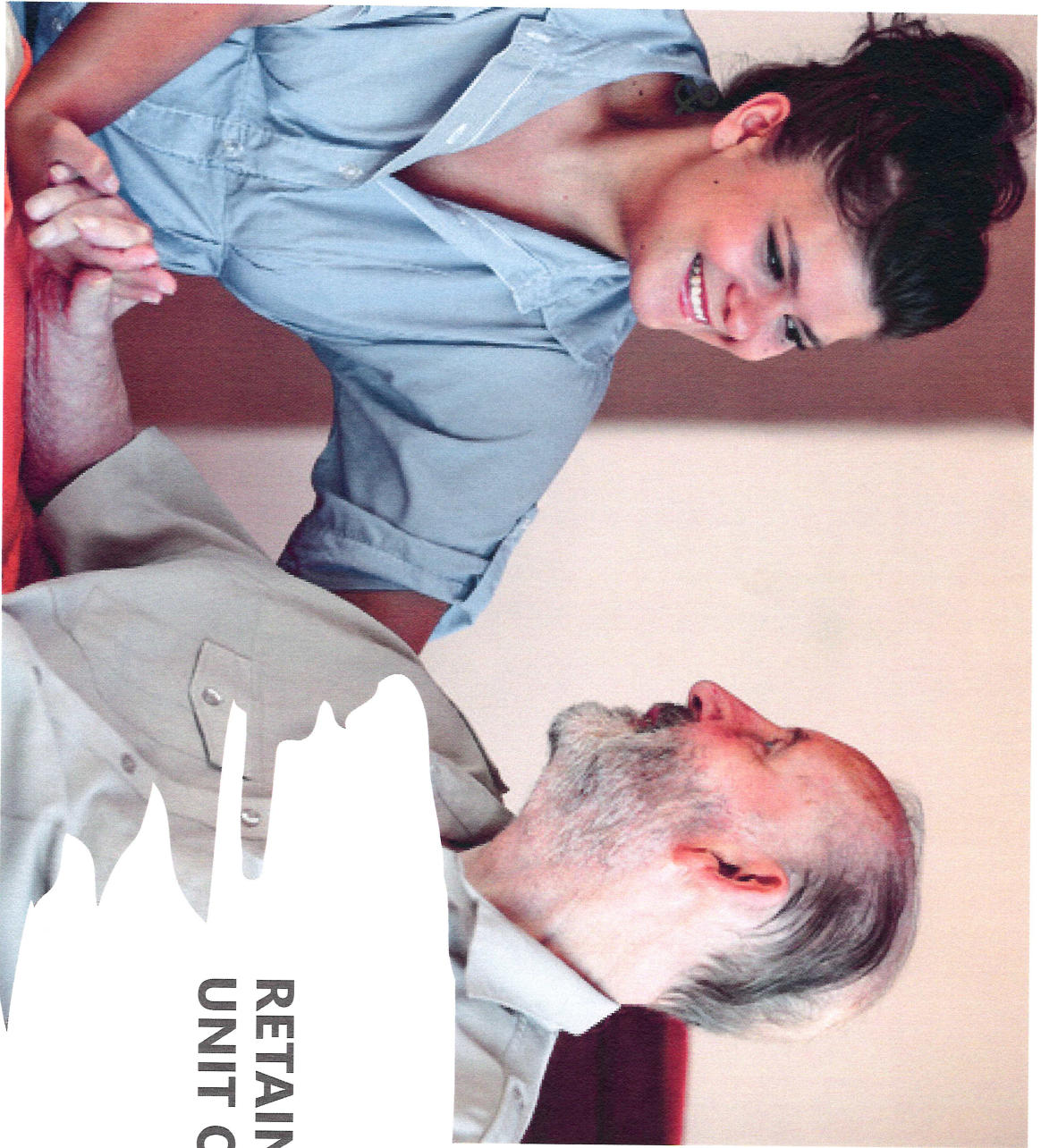
Close Inpatient Unit

Reduce State Hospital to 75 Beds
Reduce Staff and Operating Costs

Failed

Authority to Say No

SB 2084 to give authority to decline admission when full



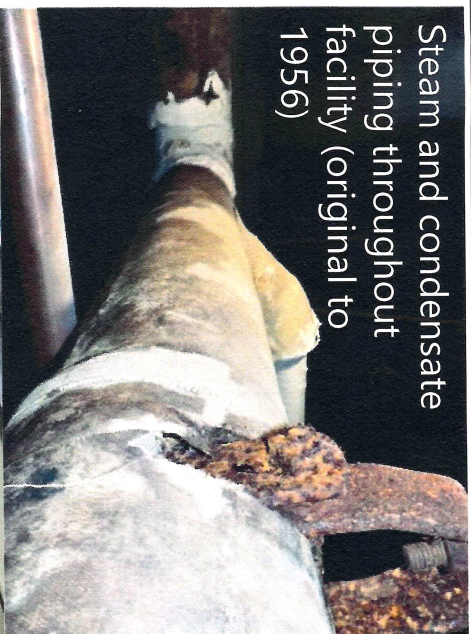
**RETAIN 14 FTE AND KEEP
UNIT OPEN**



To Build or Not to Build

IMPROVE CARE AND REDUCE COSTS

NEW STATE HOSPITAL ESTIMATED COSTS



Steam and condensate piping throughout facility (original to 1956)



Unit ventilators original to 1968, 1971 and 1985.

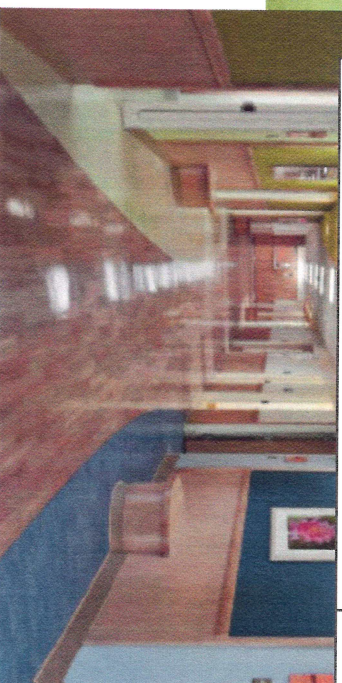
	Stay in Place / Renovate	Bond	Lease
Lease payment (principal and interest)	\$0	\$170,915,156	\$287,400,000
Facility operations cost over 40 years	\$64,091,103	\$60,689,847	\$0
Additional Hospital FTE costs over 40 years	\$161,877,332	\$30,986,482	\$0
Capital reinvestment costs over 40 years	\$327,118,000	\$91,841,146	\$0
Total cost over 40 years	\$553,086,435	\$354,432,631	\$286,400,000

NEW STATE HOSPITAL ESTIMATED SAVINGS

Patient depression and anxiety levels are reduced in environments built with an intent to heal.



	Stay in Place / Renovate	Bond	Lease
Facility operations cost savings over 40 years	\$0	(\$3,401,256)	(\$64,091,103)
FTE Savings over 40 years	\$0	(\$130,890,850)	\$161,877,332)
Capital reinvestment savings over 40 years	\$0	(\$235,276,854)	(\$327,118,000)
Total savings over 40 years	\$0	(\$369,568,960)	(\$553,086,435)



MAKE ONGOING REPAIRS OR BUILD: THREE OPTIONS FOR STATE HOSPITAL

Current Situation: Make On-Going Repairs

Requires immediate General Funds

- State secures General Funds
- State procures an architectural design
- State procures contractors to renovate facility
- State maintains facility with reoccurring costs
- State pays the bond/loan over time

No operational savings

New State Hospital via Bond (Loan) Option

Requires no up-front funds

- State secures funds
- State procures an architectural design
- State procures contractors to build facility
- State maintains facility with reoccurring costs
- State pays the bond/loan over time

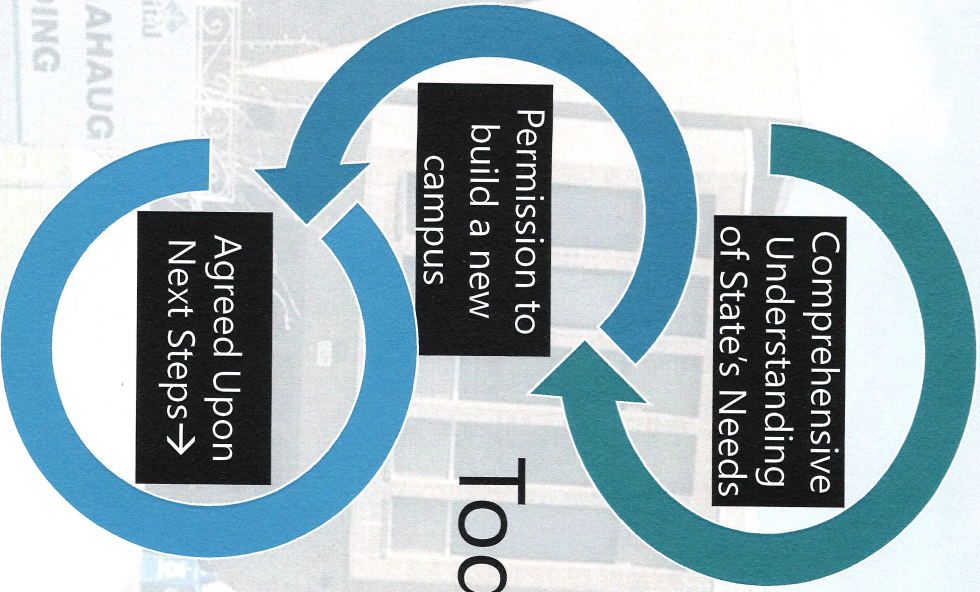
Operational savings

New State Hospital via Public/Private Partnership (Lease)

Requires no up-front funds

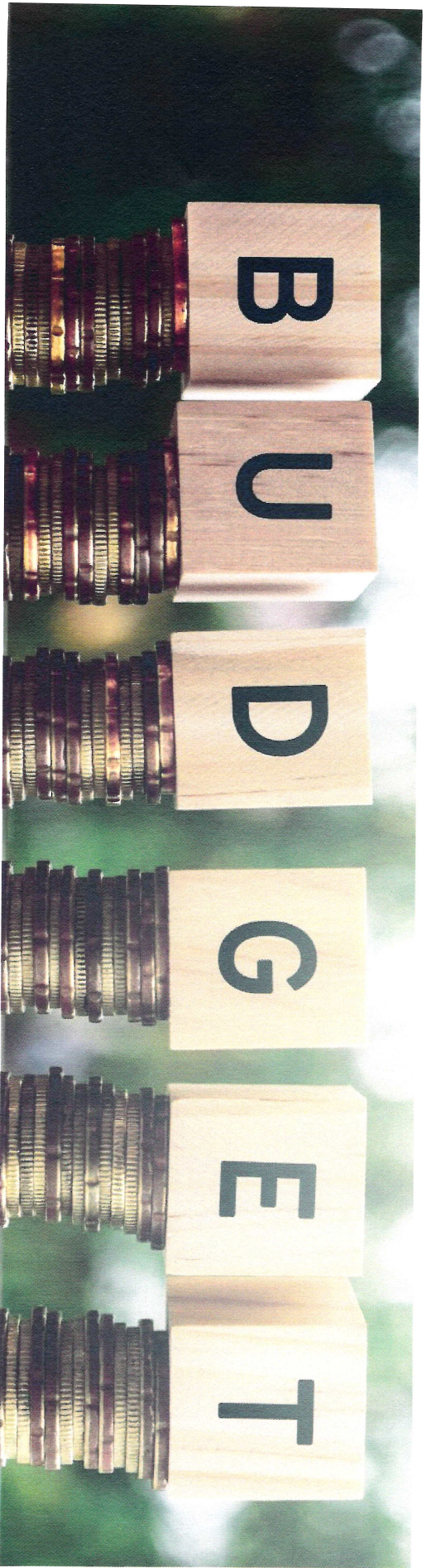
- State procures private partner
- Private partner procures an architectural design
- Private partner builds facility
- Private partner operates and maintains facility
- State makes annual payment over life of lease
- State retains ownership of hospital
- Private partner returns asset at 85% new

Operational savings



Today, We Are Seeking Authorization





INPATIENT AND RESIDENTIAL SERVICES BUDGET DETAIL

DETAIL BUDGET CHANGES BY EXPENSE CATEGORY

Expense Category	2017 - 2019 Biennium Expenditures	2019 - 2021 Base Level Budget	2019 - 2021 Year 1 (SFY 20)	Increase/ (Decrease) to 2021 - 2023	2021 - 2023 Executive Budget Request
511x Salaries - Regular	32,042,056	31,798,985	15,547,397	1,384,672	33,183,657
512x Salaries - Other	584,621	564,220	266,760	(85,026)	479,194
513x Salaries - Temp	2,164,328	2,142,408	935,744	(1,430,665)	711,743
514x Salaries - Over Time	4,264,810	4,620,146	2,093,134	(3,469,246)	1,150,900
516x Salaries - Benefits	16,452,967	15,974,913	8,370,549	2,429,440	18,404,353
Total Salaries & Benefits	55,508,782	55,100,672	27,213,584	(1,170,825)	53,929,847
52x Travel	417,226	408,892	176,226	(39,602)	369,290
53x Supply	2,574,219	2,852,549	1,090,934	(367,017)	2,485,532
54x Postage & Printing	51,521	55,830	9,244	(17,115)	38,715
55x Equipment Under \$5,000	85,522	96,092	60,481	(3,625)	92,467
56x Utilities	7,052,175	1,099,014	801,771	275,062	1,374,076
57x Insurance	79,337	93,047	44,260	45,406	138,453
58x Rent/Leases - Bldg./Equip	32,327	45,676	23,013	4,320	49,996
59x Repairs	513,129	394,588	165,697	(8,627)	385,961
61x Professional Development	104,553	176,492	73,699	134,692	311,184
62x Fees - Operating & Professional	5,357,657	6,937,613	2,723,190	(1,244,038)	5,693,575
60x IT Expenses	226,611	207,675	102,911	24,853	232,528
Total Operating	16,494,277	12,367,468	5,271,426	(1,195,691)	11,171,777
68x Land, Building, Other Capital	1,873,925	1,231,699	3,349,096	60,800	1,292,499
69x Equipment Over \$5,000	347,714	101,650	75,467	(40,850)	60,800
Total Capital/Equipment over 5,000	2,221,639	1,333,349	3,424,563	19,950	1,353,299
Total	74,227,395	68,801,489	35,909,573	(2,346,566)	66,454,923

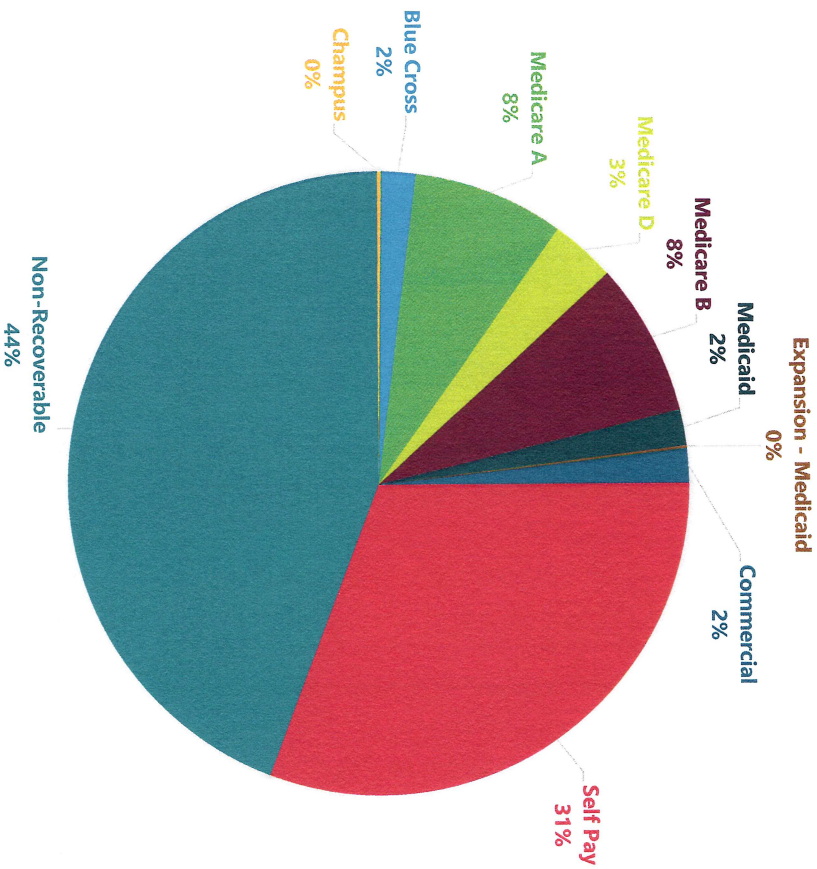
FEES – OPERATING/PROFESSIONAL/MEDICAL

State Hospital - 2021-23 Biennium Budget

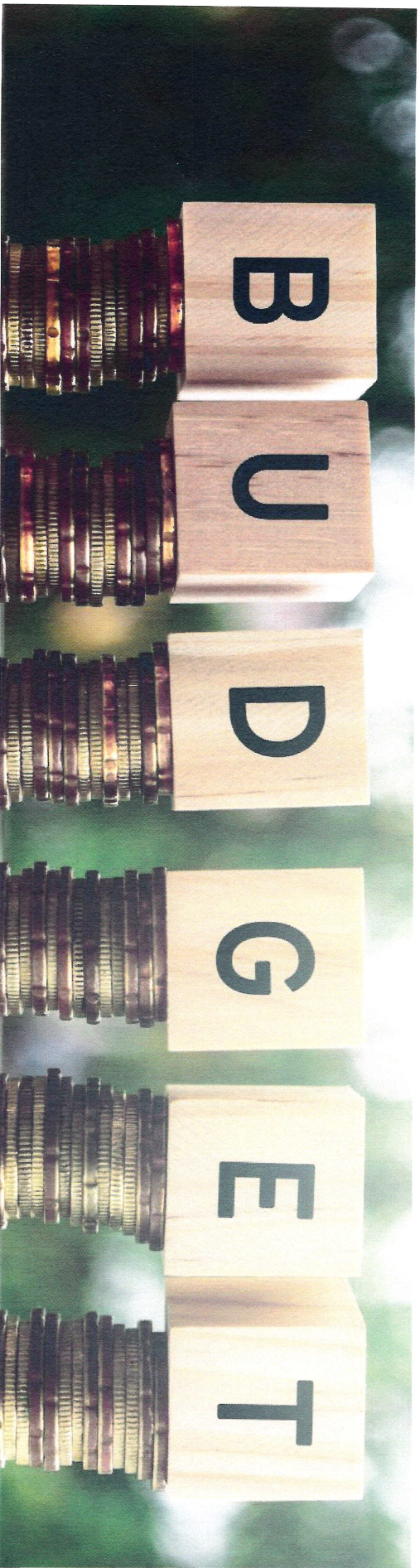
\$ 6,937,613 \$ 5,693,575 \$ 5,693,575

Vendor	Comments / Description	2019-21 Biennium Amount	2021-23 Biennium Amount	General Fund
Various	Service Award, Background Check, License & Certification Fees required for employees	86,605	82,202	82,202
Worldwide	Travel Nurses		611,520	611,520
Stutsman County	Special Assessments, Commissary & Sales Tax	74,064	260,966	260,966
Lutheran Social Services	Interpreters	19,000	19,500	19,500
Guardian Pest Solutions/ Trane/ Otis Elevator	Pest Extermination Services/ Chiller System contract/Elevator contract	170,654	170,654	170,654
Various	Delivery of Supplies and Materials to NDSH and Destruction of PHI	28,146	26,064	26,064
Northern Plains	Lab Services	87,000	87,000	87,000
Jamestown Regional Medical Center	Contracts for PT/OT/Xray/Speech	144,344	144,344	144,344
Waste Healthcare Environmental Services	Infectious Disease Control	29,011	29,011	29,011
UND	Residency Contract with UND		100,000	100,000
Various	Guardianships	118,641	118,641	118,641
Contract with Basclia of St. James	Catholic Chaplain	18,980	31,480	31,480
Contract with Progress Enterprises	Progress Enterprises Contract	300,000	300,000	300,000
Various	Medical, Dental and Optical	2,118,942	2,201,982	2,201,982
Various	Legal services for patient hearings	111,982	111,982	111,982
Various	Patient Medical Services from external healthcare providers and testing	1,377,266	1,398,229	1,398,229
	Operating expense for 25 bed unit	2,252,978	-	-

PAYOR MIX - STATE FISCAL YEAR 2020



	Payment Received	Amount Adjusted
Blue Cross	215,313	214,305
Champlus	4,119	-
Commercial	65,883	118,612
Expansion - Medicaid	-	3,051
Medicaid	883,862	71,990
Medicare A	1,669,330	230,328
Medicare B	79,318	295,334
Medicare D	189,447	930,342
Non-Recoverable	18,916	12,652,982
Self Pay	86,061	236,540
Total	3,212,249	14,753,485



SEX OFFENDER TREATMENT AND EVALUATION PROGRAM BUDGET DETAIL

DETAIL BUDGET CHANGES BY EXPENSE CATEGORY

Expense Category	2017 - 2019 Biennium Expenditures	2019 - 2021 Base Level Budget	2019 - 2021 Year 1 (SFY 20)	Increase/ (Decrease) to 2021 - 2023	2021 - 2023 Executive Budget Request
511x Salaries - Regular	5,408,400	5,090,007	2,535,146	838,380	5,928,387
512x Salaries - Other	110,103	110,876	53,339	(4,198)	106,678
513x Salaries - Temp	258,558	257,040	99,740	(56,448)	200,592
514x Salaries - Over Time	490,056	452,846	225,324	(376,942)	75,904
516x Salaries - Benefits	2,862,823	3,590,302	1,398,671	146,365	3,736,667
Total Salaries & Benefits	9,129,940	9,501,071	4,312,220	547,157	10,048,228
52x Travel	57,413	55,187	20,161	(2,917)	52,270
53x Supply	282,190	303,955	65,971	(125,076)	178,879
54x Postage & Printing	7,594	13,922	3,736	(6,197)	7,725
55x Equipment Under \$5,000	8,232	13,250	5,101	-	13,250
56x Utilities	97,958	141,624	10,474	(45,698)	95,926
57x Insurance	14	8,109	-	8,720	16,829
58x Rent/Leases - Bldg./Equip	6,404	7,767	3,954	(1,381)	6,386
59x Repairs	7,407	4,460	1,689	(1,791)	2,669
61x Professional Development	12,207	23,153	3,877	(8,703)	14,450
62x Fees - Operating & Professional	1,097,007	656,164	578,311	484,823	1,140,987
60x IT Expenses	38,795	38,700	17,569	1,114	39,814
Total Operating	1,615,221	1,266,291	710,843	302,894	1,569,185
69x Equipment Over \$5,000	10,308	19,950	-	(19,950)	-
Total Capital/Equipment over 5,000	10,308	19,950	-	(19,950)	-
Total	10,755,469	10,787,312	5,023,063	830,101	11,617,413

FEES – OPERATING/PROFESSIONAL/MEDICAL

Sex Offender Treatment & Evaluation Program - 2021 - 23 Biennium Budget 62X- Fees Operating, Professional & Medical/Dental/Optical

\$	656,164	\$	1,140,987	\$	1,140,987	\$	-	\$	-
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Vendor (Please put "VC" in front of the vendor name if it is a contract and "OTH" in front of the vendor if it is not a contract)	Comments / Description	2019-21 Biennium Amount	2021-23 Biennium Amount	General Fund	Federal Funds	Other Funds
OTH - License Fees for staff	Years of Service/ License & Certification Fees required for job duties	12,612	12,612	12,612		
OTH - Various	Additional amount needed to contract out vacant services of forensic psychologist		423,916	423,916		
OTH - Stutsman County	Special Assessments		11,709	11,709		
OTH - Freight and Express	Delivery of Supplies and Materials to NDSH	13,204	13,204	13,204		
Legal services & Consulting Fees for patient hearings		42,286	64,000	64,000		
Outside Medical Costs		326,298	356,178	356,178		
Pharmacy Costs		261,764	259,368	259,368		



STATE HOSPITAL

NORTH
Dakota | State Hospital
Be Legendary™ HUMAN SERVICES

Rosalie Etherington, PhD,
Superintendent/Chief Clinics Officer
Email: retherngton@nd.gov
(701) 253-3650

