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## BUDGET SECTION - HUMAN RESOURCES DIVISION

Wednesday, June 25, 2025  
Roughrider Room, State Capitol  
Bismarck, North Dakota

Senator Dick Dever, Chairman, called the meeting to order at 1:02 p.m.

**Members present:** Senators Dick Dever, Sean Cleary, Jeffery J. Magrum, Tim Mathern; Representatives Bert Anderson, Mike Berg, Alisa Mitskog, Jon O. Nelson, Emily O'Brien, Scott Wagner

**Members absent:** Senator Kyle Davison; Representatives Eric J. Murphy, Gregory Stemen

**Others present:** Lori Antos\*, CHI Health Williston, Williston, North Dakota; David Jones\*, CommonSpirit Health Midwest Critical Access Hospitals, Missouri Valley, Iowa; Tim Schnack\*, CHI Health, Omaha, Nebraska

See [Appendix A](#) for additional persons present.

\*Attended remotely

### BACKGROUND INFORMATION

Mr. Levi Kinnischtzke, Senior Fiscal Analyst, Legislative Council, presented a memorandum entitled [Budget Section Divisions - Background Memorandum](#). He provided information regarding the duties of the Budget Section divisions.

Mr. Kinnischtzke presented the [Budget and Fiscal Trends](#) publication. He provided information on statewide revenues, appropriations, and other budget changes in recent bienniums.

Mr. Keith Mantz, Fiscal Analyst, Legislative Council, presented the [Department of Health and Human Services portion](#) (Section G) of the [69<sup>th</sup> Legislative Assembly State Budget Actions for the 2025-27 Biennium](#). He provided information on the department's budget approved by the 69<sup>th</sup> Legislative Assembly during the 2025 legislative session.

Mr. Mantz presented the [Department of Corrections and Rehabilitation portion](#) (Section H) of the [69<sup>th</sup> Legislative Assembly State Budget Actions for the 2025-27 Biennium](#). He provided information on the department's budget approved by the 69<sup>th</sup> Legislative Assembly during the 2025 legislative session.

### DEPARTMENT OF CORRECTIONS AND REHABILITATION BUDGET REVIEW

Ms. Michele Zander, Chief Financial Officer, and Mr. Colby Braun, Director, Department of Corrections and Rehabilitation, presented information ([Appendix B](#)) regarding the status of the deficiency appropriation for the 2023-25 biennium in House Bill No. 1024 (2025), funding amounts included in Senate Bill No. 2015 (2025) and House Bill No. 1425 (2025), and major department initiatives for the 2025-27 biennium. Ms. Zander noted:

- Of the \$11,500,000 appropriated from the general fund in House Bill No. 1024, the department anticipates spending \$11,021,889 during the 2023-25 biennium for resident payroll, medical, pharmacy, jail, and transitional facilities expenses.
- The department reduced their budget by \$1.9 million related to information technology costs, including data processing, software upgrades, and medical modules.

Mr. Braun noted the department's major initiatives for the 2025-27 biennium include facility and bed management projects at the Missouri River Correctional Facility and Heart River Correctional Center, participating in the Legislative Management study related to sentencing, corrections, and parole systems, and evaluating and improving staff wellness and retention.

Mr. Braun presented information regarding House Bill Nos. 1425, 1417, and 1549 ([Appendix C](#)).

### **DEPARTMENT OF HEALTH AND HUMAN SERVICES BUDGET REVIEW**

Mr. Patrick Traynor, Interim Commissioner, and Ms. Donna Aukland, Chief Information Officer, Department of Health and Human Services, presented information ([Appendix D](#)) regarding funding amounts included the 2025 legislative session in House Bill Nos. 1012, 1425, 1468, and 1485 and Senate Bill Nos. 2036, 2037, 2138, 2200, 2271, 2305, and 2399, major department initiatives for the 2025-27 biennium, and federal funding changes. Ms. Aukland noted:

- Approximately 82 percent of the department's \$5.82 billion budget for the 2025-27 biennium is budgeted for payments to vendors, providers, and individuals while 4 percent is for administration salaries, 7 percent is for direct care salaries, 3 percent is for operating expenses and capital assets, and 4 percent is for information technology services.
- Approximately 67 percent of the department's budget for the 2025-27 biennium is dedicated to federal entitlement programs, 12 percent is for contracts and grants to vendors and providers, 3 percent is for payments to human service zones, and 18 percent is for all other human service programs.
- Of the funding dedicated for federal entitlement programs, 17 percent is for long-term care programs, 16 percent is for Medicaid, 13 percent is for developmental disabilities programs, 12 percent is for Medicaid Expansion, 6 percent is for economic assistance programs, 2 percent is for foster care related programs, and 34 percent is for all other human services programs.

In response to a question from a committee member, Ms. Sarah Aker, Director, Division of Medical Services, Department of Health and Human Services, noted it is unlikely federal medical services funding allocated to North Dakota is significantly affected by budget reconciliation legislation considered by Congress in the near future.

### **OTHER INFORMATION**

Mr. David Jones, Critical Access Market President and Mr. Tim Schnack, Chief Market Financial Officer, CHI Health, presented information ([Appendix E](#)) regarding the status of a new behavioral health facility in the northwest area of the state. Mr. Jones noted:

- The new behavioral health facility is estimated to cost a total of \$6.5 million, of which the state provided \$3.45 million.
- The facility will include a 10-bed behavioral health unit, including 9 inpatient beds and 1 seclusion room.
- The facility is estimated to open in August 2026.

In response to a question from a committee member, Ms. Lori Antos, Chief Nursing Officer, CHI Health Williston, noted individuals in need of crisis services are currently transported to other facilities in North Dakota or to other states.

No further business appearing, Chairman Dever adjourned the meeting at 3:24 p.m.

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Levi Kinnischtzke  
Senior Fiscal Analyst

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Keith Mantz  
Fiscal Analyst

ATTACH:5