

Good morning, Chairman Nelson and the House Appropriations Committee. My name is Chris Haseleu, and I am speaking as a member of NDACP and the President and CEO of Kalix, a non-profit Developmental Disability provider located in Minot, Belcourt, and Rolla North Dakota. I am a Doctor of Nursing Practice and align much of my oversight to leading the path of caring for people. Kalix's mission is to provide privacy, purpose, and dignity for each person. The people we are fortunate to work with daily deserve adequate services, jobs, and a place to live. As a larger Developmental Disability Service provider in North Dakota our organization houses 160 people, enrolls 137 in day programs, provides employment assistance and vocational rehabilitation for 75 people, and 34 people receive in Home Supports. Modest funding for low-income individuals with disabilities is allocated with Medicaid and rates are set within the Support Intensity Scale (SIS) score. Reimbursements to providers are not always allowing for breakeven financials. A few programs that I would like to point out are our Day Services, Independent Habilitation, and Individual Employment. Varying net losses year after year have made these programs a service offered as the primary representation of why we are a non-profit, by putting people first before our budget.

Kalix and many other providers continue home care and community employment programs that deinstitutionalize people with disabilities from the Life Skills Transition Center in Grafton. As NDACP is asking for a 4 and 3 percent inflationary increase I agree that meeting inflationary needs for programs is necessary to maintain current functions. Kalix does provide home settings as large as 40 beds to small housing opportunities for 4 people. These living arrangements include Intermediate Care Facilities and Residential Habilitation. These settings allow for daily rate payments that support a consistent funding source based on a SIS score. Variable payments for SIS program enrollees in Day Service attendance, Independent Habilitation client refusals for services, or adjustments in a person's employment impact the variability of service hours and reimbursement. The demand for home support is increasing as well as the ability for people to be employed in the community. As an organization we strive to provide freedoms for people to live independently whether at home or their choice of competitive employment.

Kalix is seeing an increase in comorbidities and mental health issues as well as increased life expectancies that impact the ability to take in new clients. I would like to list some of the most common mental health diagnosis impacting developmental and intellectual disabilities settings which include autism, anxiety, depression, attention deficit hyperactivity disorder, and obsessive-compulsive disorder. Our primary Direct Service Providers (DSPs), provide firsthand service based on guidance from physicians, state Board Certified Behavior Analysts, and Behavior Coordinators. In order for a DSP to handle these mental health issues consistently they must be long tenured employees that work with

these people to maintain their daily routines. The funding for services which include mental health outcomes for people is a need across all of North Dakota. The 4 and 3 increases would allow us to maintain the current workforce that these people need to uphold daily programs that promote the physical and emotional well beings of people. We have people who are assisted with Individual Employment that because of mental health needs do not go to work and are terminated. As a provider who is helping people with mental health there is no reimbursement for working with an employer that is going to terminate a person because they do not show up to work. When the person can no longer mentally handle employment, they are terminated, and parts of Individual Employment are not funded to help them through their struggles. If a person becomes unemployed, they can utilize Day Habilitation services or Independent Living services, however their mental health services are not directly funded, and it is up to the providers to decide how to set new person-centered plans and implement behavior needs without further reimbursement. Kalix has multiple clients that go between ending employment and starting habilitation programs and these transition hours can be a struggle to be reimbursable.

We provide services as a non-profit provider with reimbursements that are both variable, 15-minute payments, and daily set rates. Our non-profit vision is people, and we put them first. My request is to continue to fund Disability Services at a rate that meets inflation. Meeting inflation allows Disability Service Providers to maintain current programs, even if that is mental health services that are not fully funded or lost revenue in Independent Habilitation. If programs do not meet inflationary expectations Service Providers will continue to review feasibility for certain programs within their operations. Community involved programs of Day Services, Independent Habilitations, and Individual Employment are noted areas of not meeting funding but as a nonprofit provider we will continue these programs regardless. Providing resources for Disability Services reimbursement depends on the state of North Dakota and its continued funding for services supported to people. I thank you Chairman Nelson and the House Appropriations Committee. I am open to any questions.

Chris Haseleu

CEO, Kalix